

U. S. Office of Personnel Management

What is OPM?

OUR VISION

Great Government Through Great Employees

How well the Federal Government works depends on Federal workers. Our role at the Office of Personnel Management (OPM) is to help agencies get the right people in the right jobs with the right skills at the right time so they can produce results for the American people. To do this, we work with agencies to create systems to recruit, develop, manage and retain a high quality and diverse workforce, and to do it in the right way. Congress has entrusted us with regulating these systems, and the President relies on us to continuously improve them. Our vision is a Government that meets and often exceeds the public's expectations because of the impressive competence and commitment of Federal employees.

OUR MISSION

To support the Federal Government's ability to have the best workforce possible to do the best job possible.

We lead Federal agencies in shaping human resources management systems to effectively recruit, develop, manage and retain a high quality and diverse workforce;

We protect national values embodied in law, including merit principles and veterans' preference;

We serve Federal agencies, employees, retirees, their families, and the public through technical assistance, employment information, pay administration, and benefits delivery; and

We safeguard employee benefit trust funds.

OUR VALUES

Our core values are constant and embody: respect for institutions of democracy, a civil service based on merit principles, the dignity of the individual employee and customer, and the ability to change and adapt. We are committed to maintaining an environment that fosters:

- Our greatest strength: the skills and knowledge of the OPM family;
- A work ethic that constantly strives for high quality and customer satisfaction through excellence, innovation and creativity;

- Equity, integrity, fairness and loyalty in all aspects of our work relationships;
- A workforce that reflects the high quality and diversity of our society;
- Leadership and empowerment at all levels through clear and open communications;
- Partnership at all levels with responsible and accountable participation;
- Improved services through cross-functional collaboration, teamwork and recognition;
- Continuous development and learning at all levels; and
- A balance between work and family.

OUR CURRENT ROLE

The people at OPM –

provide leadership to strengthen human resources management (HRM) throughout the Government. Even though laws and delegations give substantial authority to the heads of departments and agencies, OPM serves as the President's agent and advisor for HRM issues that apply across the Federal Government. We ensure that the Government's corporate HR policy is responsive and effective. We work collaboratively with agency senior leaders, line managers, and HRM staffs, as well as employee representatives, to identify and address top priority HRM issues, and to ensure that agencies are incorporating effective workforce planning and strategic rewards into their strategies for accomplishing their goals and objectives. We work with the Office of Management and Budget to incorporate governmentwide HR initiatives into the President's budget, and to ensure that agencies' strategic plans incorporate HR goals and objectives. We chair the Human Resources Management Council, which is composed of the HR directors of Executive agencies. Through the Council we resolve problems, share best practices, and establish high performance benchmarks so agencies will have the high quality and diverse workforce they need.

help set human resources rules with agencies' involvement. Human resources laws usually require us to issue implementing regulations. Where there is legal flexibility, we strive for an approach that best helps agencies accomplish their missions, relying heavily on advice from those agencies. We want to make sure that our regulations and oversight activities ensure agency compliance with the law, but without unnecessary constraints on their managers. We act as a partner with the Office of Management and Budget in reviewing legislative proposals affecting human resources management and in proposing legislative and executive initiatives to the President after consulting with agencies and other stakeholders. We participate in litigation before courts and administrative adjudicatory bodies on significant issues of civil service law.

protect the merit system and veterans' rights through oversight. We assess agencies' effectiveness in human resources management at the governmentwide, agency, and installation levels. We use the information we gather to support policy development and to ensuring compliance with both the merit principles and personnel laws and regulations. Data we gather enhances agency capability for self-evaluation and assists agencies in designing and operating personnel programs that effectively support mission accomplishment. We certify agency delegated examining units and evaluate their compliance. We also review personnel systems

outside the competitive service to determine whether their adherence to merit principles warrants an agreement allowing the interchange of employees between these systems and the competitive service without further examination. Veterans' rights are an integral part of the merit-based personnel system that we oversee and protect.

help agencies recruit instantly and nationwide. On behalf of all agencies, we administer a governmentwide, computerized listing of all job vacancies in the competitive service currently open to outside applicants, plus many vacancies that are outside the competitive service. This listing allows agencies to quickly reach a wide range of potential employees and provides for open competition from all segments of society. Job seekers find it easy to learn about job openings 24 hours a day, 7 days a week, through the Internet, touch-screen kiosks in agencies, colleges and universities, and by touch-tone telephone. They may also complete on-line resumes and apply electronically for Federal jobs. Other enhancements are underway, that will allow job-seekers to complete a job interest profile and then be notified by email of jobs that match their interests.

support agencies in merit-based candidate assessment and hiring. Roughly three-fourths of the 1.3 million non-Postal civil servants are in the competitive service, which means their selection is guided by merit principles, laws, and professional standards which we administer. The purpose is to ensure the validity and objectivity of selection criteria, to ensure that all receive equal opportunity, and to grant selection preference to certain veterans based on their service. Our examining experts continue to develop a wide range of assessment instruments for agencies' use. We provide examining policy advice and assistance, as well as direct reimbursable services to agencies for recruitment, candidate evaluation, and application processing.

support agencies in workforce restructuring. The Federal Government is in a period of profound change, driven by the forces of improved management, reduced budgets, and changes in the skills needed to do the Government's work. Agencies are responding through workforce restructuring, involving often significant organizational redesign and staff reductions. We work closely with agencies to ensure they can effectively restructure while maintaining needed skills, quality, and diversity in the workforce. Our expert staff set policy consistent with law and administer the Federal programs for reductions in force, separation incentives and early retirement, and transition assistance for displaced employees. We also provide customized reimbursable services in these areas.

ensure the suitability of Federal employees and provide for personnel investigations. We set and communicate governmentwide investigations policy for the Federal personnel security program, ensure the suitability of Federal employees, and carry out on-site inspections to make sure agencies are following established policies. We also provide, on a reimbursable basis through a contractor, personnel investigations relating to suitability and security.

promote executive leadership for a results-oriented Government. Without exceptional leaders who can lead and motivate people, build coalitions and partnerships, and deliver quality services, the Government would not be able to serve the American people effectively. We provide leadership and services to help agencies select, develop, and manage strong,

results-oriented executives who have a broad corporate perspective and a commitment to public service. Our services include administering executive and management development programs through three interagency residential training centers: the Federal Executive Institute in Charlottesville, VA, and the Management Development Centers in Shepherdstown, WV, and Denver, CO.

provide governmentwide human resources development leadership. We administer the Government Employees Training Act and are responsible for promoting effective agency training programs. Because the Federal workforce has become predominately knowledge based, strategic agency investments in education and training are critical to mission accomplishment. We are promoting learning as a performance improvement tool; exploring innovative technologies for training delivery; considering new approaches to support learning, such as individual learning accounts; and supporting and collaborating with interagency groups to make effective use of learning technology and other methods to enhance workforce skills. We also provide assistance to Federal agencies through a multi-million dollar contract-based Training and Management Assistance program designed to improve human resources management.

operate the Nation's largest retirement programs. We administer the Civil Service Retirement System and the Federal Employees' Retirement System, which together cover more than 5 million active and retired Federal employees from all agencies and disburse more than \$40 billion each year in earned retirement benefits.

manage employee health and life insurance programs. We set the standards for, contract with, and oversee the performance of benefit providers under the Federal Employees' Group Life Insurance and the Federal Employees Health Benefits programs. These highly regarded programs serve more than 10 million customers (active Federal employees, retirees, and covered family members) in all agencies.

administer the systems for setting Federal compensation and benefits. In setting compensation and benefits, the Government does what most other large employers do to implement the traditional financial components of a broad array of strategic rewards, which also comprise non-financial rewards such as a family-friendly work environment and opportunities for continuous learning and skill development. To establish employees' basic pay, agencies look at the duties of their jobs to determine the right occupations and levels (job classification). We do the research and set the standards for classifying jobs and participate with others in establishing pay schedules for a variety of pay systems by referencing what non-Federal employers provide for comparable work. These pay schedules are adjusted periodically to account for local labor market changes and to address recruitment and retention problems. We also implement the pay administration provisions in title 5 under which an employee's pay is adjusted over time, based in part on performance, or augmented to provided premiums for working in unusual conditions. Similarly, to recruit and retain the optimum workforce, we develop and enhance earned employee benefits packages, including leave, insurance, and retirement. Such enhancements include implementing U.S. Tax Code provisions that allow employees to pay premiums with pre-tax dollars and introducing long-term care insurance at advantageous group rates. Through such actions, we not only seek to

make these packages competitive with non-Federal sector benefits, but also serve as national models for other employers.

provide tools for effective employee performance management. We have a leadership role in promoting effective performance management and ensuring that individual accountability is established and maintained throughout the Federal workforce. We set guidelines for evaluating, developing, and rewarding employee performance that leave agencies free to design and use appraisal, training, and awards approaches that suit them best. We also provide models and technical assistance for planning, measuring, developing, and rewarding performance at the individual, group, and organizational levels, including the development and implementation of balanced measures of results. In addition, we provide agencies and managers with guidance and assistance about how to identify and correct performance problems in accordance with requirements to assure that employees are treated fairly.

take the lead in Government labor and employee relations. We are an advisor and consultant to agency officials in developing effective labor-management relations and employee relations practices that contribute to mission accomplishment. We are the single clearinghouse for governmentwide information on best practices, innovations, data trends, and other information in these areas. We help agencies work effectively with Federal labor organizations that represent 1.1 million Federal employees. We consult with labor organizations and agency managers and labor-relations officials on governmentwide rules, regulations, and directives affecting conditions of employment. In cooperation with the National Partnership Council, we champion collaborative labor-management relationships that promote improved performance, results, and service to the public. In addition, we provide leadership for agency employee relations activities that cover employee discipline, employee assistance, employee health, and workplace violence prevention programs.

enhance the ability of Federal employees to balance work and family responsibilities. We maintain the Family-Friendly Workplace Advocacy Office, which is designed to serve as the central point in the Federal Government for employees and agency staff to contact for information regarding family-friendly initiatives, laws, and regulations. This office supports and promotes many initiatives, including childcare, eldercare, and telecommuting.

enhance and administer the Federal Government's family-friendly leave programs. We take a leadership role in developing and administering the governmentwide family-friendly leave programs (i.e., family and medical leave; sick leave for family care, bereavement and adoption purposes; annual leave for personal needs; and the leave transfer and leave bank programs). The family-friendly leave programs are a model to all employers and demonstrate the Federal Government's recognition of the importance of family responsibilities and commitment to assisting Federal employees in balancing their work and family responsibilities. We are recognized as an innovator in developing and administering leave programs that foster goodwill and create a more compassionate workplace, resulting in a more productive workforce.

advance governmentwide automation of human resources management systems. We have a crucial interest in ensuring that agencies are able to make the best and most

cost-effective use of automation to achieve human resources management objectives. To this end, we lead the interagency Human Resources Technology Council, which is responsible for crafting a long-term strategic vision and goals for using information technology in human resources management governmentwide. The Council promotes cooperatively developed systems and operations to solve common problems and prevent costly duplication of efforts, as advocated by the Clinger-Cohen Act of 1996.

manage a comprehensive workforce information system. We set the standards for information that goes into employees' Official Personnel Folders at agencies, we retain ownership of those records, and we provide instructions for release of personnel data under the Freedom of Information Act and the Privacy Act. We also collect and electronically maintain employee data in a Central Personnel Data File to support and improve Federal personnel management decisions. In addition, we are required by law to gather, analyze, and maintain statistical data on the diversity of the Federal workforce, and to prepare evaluation reports to Congress.

seek improvement through innovative human resources management projects. We work with other Federal agencies on demonstration projects and alternative personnel systems to explore better and simpler ways to manage Federal personnel. We also conduct studies and learn from the research of others.

For more information on OPM, go to our FY 2000 – FY 2005 Strategic Plan, Federal Human Resources Management for the 21st Century.

WHO WE ARE AND WHAT WE DO

The Office of Personnel Management (OPM) is the President's agent and advisor for operating and continuously improving the Government's system of human resource management.

The President leads a workforce of roughly 1.4 million uniformed military personnel, 0.8 million postal workers, and another 1.8 million civilian employees. Agency heads, officers, and line managers supervise these civil servants as they work to serve the public and accomplish missions that were established by law. When managers want to recruit, examine, investigate, hire, fire, train, promote, reassign, evaluate, or take any other personnel action, they must be able to rely on personnel professionals who have the knowledge and tools to get things done the best way. OPM, in turn, provides the needed information, tools, and advice to civilian personnel professionals. As a partner with agencies, OPM also works to keep managers better informed about developments in human resource management.

Managers need advice in human resource management to be sure they are doing the right thing and complying with the Merit Principles. All employers are subject to certain employment laws and to their own company policies. In the Federal Government this is particularly true. Over the years many laws have adopted developments in private sector personnel practices and reflected a continuing public interest in fairness and efficiency for the civil service. Part of the responsibility of the President and of OPM is to administer a civil service merit system that ensures compliance with personnel laws and regulations. Merit principles ensure that Federal agencies invest taxpayers' money only in employees who are most likely to do a good job, and that they base hiring, pay, promotions, and reductions in force on a process that is objective, job-related, and fair.

In carrying out its functions, OPM relies heavily on its "critical mass" of expert staff, broadly applied cutting-edge technology, and unique Governmentwide information systems. It operates through a close partnership with agencies, particularly in considering and resolving issues through the Interagency Advisory Group of Federal Personnel Directors, and in consultation with the President's Management Council.

More Specifically, the Office of Personnel Management

Helps Set Personnel Rules with Agencies' Involvement. Personnel laws usually require OPM to issue implementing regulations. Where there is legal flexibility, OPM strives for an approach that best helps agencies accomplish their missions, relying heavily on advice from those agencies. One of OPM's objectives is to make sure that its regulations and oversight activity keep agencies in compliance with law, but also keep managers from bogging down in unnecessary and counterproductive red tape. OPM acts as a partner with the Office of Management and Budget in reviewing legislative proposals affecting human resource management and in proposing legislative and executive initiatives to the President after consulting with agencies. OPM participates in litigation before courts and administrative adjudicatory bodies on significant issues of civil service law.

Protects the Merit System and Veterans' Rights through Oversight. OPM assesses agencies' effectiveness in personnel management at the Governmentwide, agency, and installation levels to gather information for policy development, ensure compliance with the Merit Principles and personnel laws and regulations, enhance agency capability for self-evaluation, and assist agencies in operating personnel programs that effectively support accomplishment of their primary missions; certifies agency delegated examining units and evaluates their compliance; and evaluates personnel systems outside the competitive service to determine whether their adherence to merit principles warrants an agreement to allow the interchange of employees between that system and the competitive service without further examination.

Helps Agencies Recruit Instantly and Nationwide. On behalf of all agencies, OPM administers a Governmentwide, computerized listing of all job vacancies in the competitive service currently open to outside applicants, plus many vacancies that are outside the competitive service. This allows agencies to quickly reach a wide range of potential employees and provides for open competition from all segments of society. Job seekers find it easy to learn about job openings 24 hours a day, 7 days a week, through the Internet, touch-screen kiosks in agencies, and by telephone.

Supports Agencies in Merit-Based Examining and Hiring. Roughly three-fourths of non-Postal civil servants are in the competitive service, which means their selection is guided by the Merit Principles and hiring and retention procedures administered by OPM. These procedures are based on the principle that use of valid, objective procedures will result in a more highly qualified workforce. Civil rights laws and Federal personnel laws also require that selection methods be job-related and ensure that all receive equal opportunity. Personnel laws also give selection preference to certain veterans. OPM's team of psychologists continue to develop a wide range of assessment instruments for agencies' use. OPM provides examining policy advice and assistance, as well as direct reimbursable services to agencies for examination development and processing.

Provides for Personnel Investigations. OPM sets Governmentwide investigations policy for the Federal personnel security program and carries out on-site inspections to make sure agencies are following established policies. OPM also provides, on a reimbursable basis, through a contractor, personnel investigations relating to suitability and security.

Promotes Executive Leadership for a Results-Oriented Government. OPM fosters the development, selection, and management of Federal executives and candidates who are strong leaders and change agents with the expertise and skills required to transform Government. This includes providing executive and management development programs and services through three interagency residential centers: the Federal Executive Institute in Charlottesville, VA, and Management Development Centers in Lancaster, PA (scheduled to relocate to Shepherdstown, WV in 1998), and Denver, CO.

Operates the Nation's Largest Retirement Programs. OPM administers the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS), which together cover more than 5 million active and retired Federal employees from all agencies and disburse more than \$40 billion each year in earned retirement benefits.

Manages Employee Health and Life Insurance Programs. OPM sets the standards for, contracts with, and oversees the performance of benefit providers under the Federal Employees Group Life Insurance and the Federal Employees Health Benefits (FEHB) programs. These highly regarded programs serve more than 10 million customers (active Federal employees, retirees, and covered family members) in all agencies.

Provides the System for Setting Federal Compensation. In setting compensation, the Government does what most other large employers do. Agencies look at the duties of a job to determine the right occupation and level (job classification); refer to documentation of what other employers pay for that work, the relative value of the work within the organization, and what the agency is able to pay (the pay scale); and then adjust pay over time, based on the employee's contribution. OPM does the research and sets the standards for classifying jobs; and participates with others in establishing the pay scales for a variety of pay systems, which are adjusted to account for labor markets and to recruitment and retention problems. Similarly, to recruit and retain the best and the brightest, it develops benefits packages, including leave, insurance, and retirement that not only seek to match value with those of the non-Federal sector, but are also structured as national models for other employers.

Provides Tools for Effective Employee Performance Management. OPM has a leadership role in promoting effective performance management and ensuring that individual accountability is established and maintained throughout the Federal workforce. OPM sets guidelines for evaluating, developing, and rewarding employee performance that leaves agencies free to design and use appraisal, training, and awards approaches that suit them best. It also provides models and technical assistance for planning, measuring, developing, and rewarding performance at the individual, group, and organizational levels. In addition, OPM provides agencies and managers with guidance and assistance about how to identify and correct performance problems in accordance with requirements to assure that employees are treated fairly.

Takes the Lead in Government Labor Relations. OPM has a leadership role in the National Partnership Council, which is changing the way employees and agencies are working together. OPM regularly consults at the national level with labor organizations on Governmentwide issues and provides technical assistance to agencies on labor-management relations and systems and techniques for resolving disputes with employees. In addition, OPM provides leadership for agency employee relations activities that cover employee discipline, employee assistance, employee health, and work and family programs.

Takes the Lead in Governmentwide Automation of Human Resources Management Systems. OPM has a leadership interest in ensuring that agencies are able to make the best and most cost-effective use of automation to achieve human resource management objectives. To fulfill this role, OPM leads the interagency Human Resources Technology Council, which is responsible for crafting a long-term strategic vision and goals for human resource management Governmentwide, particularly as it relies on automation to accomplish those goals. The Council promotes cooperatively developed systems and operations to solve common problems and prevent costly duplication of efforts, as encouraged by the Clinger-Cohen Act of 1996.

Manages a Comprehensive Workforce Information System. OPM sets the standards for information that goes into employees' Official Personnel Files at agencies, retains ownership of those records, and provides instructions for release of personnel data under the Freedom of Information Act and the Privacy Act. It also collects and electronically maintains employee data in a Central Personnel Data File to support and improve Federal personnel management decision making. In addition, OPM is required by law to gather, analyze, and maintain statistical data on the diversity of the Federal workforce, and to prepare evaluation reports to Congress.

Seeks Improvement through Demonstration Projects. OPM works with other Federal agencies on demonstration projects to explore potential improvements in personnel systems and better and simpler ways to manage Federal personnel. It also conducts studies and avails itself of others' research in human resource management.

WHERE WE GET OUR MISSION

The President has authority, provided by the Constitution and by specific laws, to oversee the personnel management functions of the executive branch and of agencies outside the executive branch that employ persons in the competitive service. By law (5 U.S.C. 1104), "the President may delegate, in whole or in part, authority for personnel management functions, including authority for competitive examinations, to the Director of the Office of Personnel Management." That law also provides that the Director of OPM may delegate some or most of those functions to agencies and establish standards for their conduct. Other laws have given additional personnel management authority directly to the Director of OPM.

For nearly 100 years, the United States Civil Service Commission consistently evolved in a way that would strengthen its use as a tool for the President in improving the management of the executive branch. In 1978, the Civil Service Reform Act of 1978 continued that evolution by transferring personnel management responsibilities to a new Office of Personnel Management that was more directly accountable to the President. Implementing that change were Executive Order 12107 of December 28, 1978, and Reorganization Plan No. 2 of 1978 (5 U.S.C. app.), effective January 1, 1979.

The immediate incentive for the Civil Service Act of 1883, which established the Civil Service Commission in the first place, was to end scandals over giving Government jobs (and taxpayers' money) as rewards for political service. But a major goal even back then was to improve the quality of the Nation's civil service. Other countries had already established high quality benchmarks by hiring civil servants on the basis of merit, often determined by education or a written test.

Following the Civil Service Act, many other laws embraced developments in private sector personnel practices and showed a continuing public interest in fairness and efficiency for the civil service. A partial listing of those laws gives some sense of the range of OPM's responsibilities: Retirement Act (1920), Classification Acts (1923, 1949), Veterans' Preference Act (1944, including procedures for reductions in force and adverse actions, and establishing a "rule of 3" to limit hiring only to top candidates), Annual and Sick Leave Act (1951), Incentive Awards Act (1954), Group Life Insurance Act (1954), Government Employee Training Act (1958), Health Benefits Act (1959), Federal Salary Reform Act (1962), Civil Rights Act (1964), Federal Employee Pay Comparability Acts (1970, 1990), Intergovernmental Personnel Act (1971), Equal Employment Opportunity Act (1972), Civil Service Reform Act (1978), Social Security Reform Act (1983), Federal Employees Retirement System Act (1986), Whistle Blower Protection Act (1989), Family and Medical Leave Act (1993), and continuing provisions placed in annual appropriations acts.

Presidents have also issued key Executive orders on personnel matters, such as those broadening the scope of the competitive service (1938); establishing personnel offices in departments and agencies (1938); permitting collective bargaining (E.O. 10988, 1962); setting out rights and responsibilities in collective bargaining (E.O. 11491, 1969); establishing labor-management partnerships (E.O. 12871, 1993); and establishing the personnel security program (E.O. 10450, 1953).

At the core of Federal personnel law are these merit principles, found in 5 U.S.C. 2301(b):

- (1) *Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.*
- (2) *All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard for their privacy and constitutional rights.*
- (3) *Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.*
- (4) *All employees should maintain high standards of integrity, conduct, and concern for the public interest.*
- (5) *The Federal work force should be used efficiently and effectively.*
- (6) *Employees should be retained on the basis of the adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.*
- (7) *Employees should be provided effective education and training in cases in which such education and training would result in better organizational and individual performance.*
- (8) *Employees should be—*
 - (A) *protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and*
 - (B) *prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election.*
- (9) *Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences—*
 - (A) *a violation of any law, rule, or regulation, or*
 - (B) *mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.*

OPM ADMINISTRATIVE HISTORY

ACCOMPLISHMENTS

Model Employer

As the Nation's largest employer, as operator of its largest employer sponsored health care program, as operator of its largest employee life insurance program, and with the largest retirement system, the Federal Government has become an example to all employers, because of President Clinton's and Vice President Gore's policies. OPM implemented broad, expansive programs that make the Federal Government and OPM as an agency, *a model employer*. Recent initiatives include:

- **Patients' Bill of Rights** – OPM has implemented the Patients' Bill of Rights in the entire Federal Employees Health Benefits (FEHB) program, which covers 10 Million people in the federal government family. This includes regulations prohibiting health plans from imposing a "gag rule" limiting communication regarding treatment options. Actual costs for the Patients' Bill of Rights are about \$.027 (two point seven cents) per day, far less than anticipated by critics. Most insurers are not passing on *even that modest cost*. We are working to amplify the Administration's message that the Patients' Bill of Rights should be extended to all Americans.
- **Mental Health Parity for Federal Employees** – As announced at the White House Conference on Mental Health in July, we will move the Federal Employees Health Benefits (FEHB) program to full parity for mental health and substance abuse coverage in contract year 2001.
- **Family-Focused Workplace** – OPM has been successful in highlighting and promoting family-friendly programs including, flexible work hours, telecommuting, job sharing, leave banks, and the use of leave for family responsibilities as well as for medical reasons, adoption, father-friendly initiatives and a host of similar activities. We established a Family-Friendly Workplace Advocacy Office to promote work/life programs and respond to employee concerns and suggestions regarding the implementation of family-friendly programs across government or in their individual agencies. OPM expanded the use of leave to allow employees to use more sick leave to care for an ill relative.
- **The Challenge of Diversity** – OPM broadened its outreach and recruitment programs to assist agencies in attracting more diverse candidates for their workforce. OPM has succeeded in improving the numbers of Hispanic employees for itself and for the Federal government as a whole. Still, Hispanics are under represented in the Federal workforce so, OPM will continue to help agencies implement OPM's Nine-Point Hispanic Employment Initiative. For example, OPM implemented an initiative to recruit more Hispanics by placing touch screen kiosks at Hispanic serving sites. OPM's online jobs database, USAJOBS, provides information concerning thousands upon thousands of available positions and provides candidates the opportunity to apply electronically.

OPM and the Social Security Administration prepared a report for the Presidential Management Council, which included 70 recommendations to address the problem of under representation of Hispanics in the federal workplace. The report was approved unanimously by the Presidential Management Council on March 9, 1999.

In the effort to have the Federal government employ more people with disabilities, OPM led the development of the first *Plan for Employment of People with Disabilities*, released by the White House in October 1999, and a companion *Employment Guide for People with Disabilities*, a desktop resource for Federal managers and HR specialists.

- **Child Care** – OPM was instrumental in gaining passage of key legislation to allow lower income employees to have access to better child care by permitting Federal agencies to use appropriated funds for child care services for civilian employees. We implemented the program and promoted the Administration's initiative on childcare including sponsoring the first National Summit on Childcare in Kansas City that provided forward-looking ideas, information and guidance for employers across the nation.

Labor-Management Partnership – In order to deliver on the President's and Vice President's promise to turn the labor-management climate from confrontation to cooperation, OPM has continued to champion strong and effective labor management partnerships and the efforts of the National Partnership Council. The Council continues to improve the effectiveness of labor-management partnerships in our balanced-budget environment by:

1. Strengthening the abilities of partnerships to support Vice President Gore's program of reinvention, High-Impact Agencies, and the Government Performance and Results Act;
2. Overcoming barriers to success in partnerships experiencing difficulties; and developing a high-performing workforce to carry out the work of a high-performing government.

Welfare to Work – OPM provides the engine to drive welfare-to-work across Government including providing hiring authorities, training and mentoring models, and tracking success. We are proud to report that the Federal government has hired 15,000 former welfare recipients and is far surpassing its original commitment.

Y2K PREPARATIONS – OPM consistently achieved high marks from OMB and Congress on its Y2K preparations. OPM's Y2K contingency plan was held up as an example to other agencies and we have led efforts at the Joint Public Information Center at the Information Coordination Center to assure that the OPM message is delivered government-wide. We have helped agencies, government-wide with special Y2K hiring authorities and guidance.

Long Term Care –The Clinton Administration's Long Term Care Insurance proposal, H.R. 110 and S. 57, was enacted and signed by President Clinton on September 19, 2000. This legislation authorizes the U. S. Office of Personnel Management (OPM) to make group long term care insurance available to Federal civilian employees, retirees, and certain relatives, at negotiated group rates. Coverage will be paid for entirely by those who choose it. Companion bills H.R. 1111 and S. 894 were also signed to provide for a similar program but broaden eligibility to include military active duty personnel and retirees and their dependent relatives.

Comprehensive Federal Pay Reform – OPM will work with stakeholders to propose a modernized, performance-oriented approach to compensation that will support the Results Act and adapt to a variety of missions, structures, labor markets, and work technologies.

Human Resource Management Initiatives – OPM continued initiatives to improve human resource management systems with legislative proposals for more flexible personnel authorities. Flexibility for recruiting, and restructuring will be established by legislation and administrative action. OPM will continue to work with stakeholders to streamline the hiring process. OPM has also created a Career Intern Program. This allows agencies to create a ready pool of diverse candidates to meet future needs in critical occupations.

Workforce Planning – OPM has developed a model for future workforce planning to ensure agencies can create a workforce to meet the challenges of the 21st century. This effort is critical for agencies to understand and respond to changing labor markets as well as providing them with information and strategies to improve workforce quality. Results of this initiative support effective succession planning in agencies and departments and enable them to select from a diverse pool of applicants for mission critical occupations.

Continue FEHB Improvements—OPM improved the overall quality of health care provided through FEHB. Building on the successful implementation of the Patients' Bill of Rights, *OPM has focused on reducing medical errors.* OPM developed a proposal, that provides most Federal employees the right to pay health insurance premiums out of pre-tax earnings as is the case in the private sector.