

DEPARTMENT OF VETERANS AFFAIRS



Congressionally Mandated Report Performance Awards and Bonuses for Certain High-Level Employees (MISSION Act)

February 2023

Statutory Requirement

P.L. 115-182 § 501, the John S. McCain III, Daniel K. Akaka, and Samuel R. Johnson VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018 (MISSION Act), was enacted on June 6, 2018, and is codified in 38 U.S.C. § 726. Minor technical amendments were made in P.L. 115-251, title II, § 211 (a)(1), enacted September 29, 2018. The law requires the Department of Veterans Affairs (VA) to submit an annual report to Congress on certain performance awards and bonuses, as outlined in S. 2372, P.L. 115-182, title V: Other Matters, section 501:

“(a) In General - Not later than 100 days after the end of each fiscal year, the Secretary shall submit to the appropriate committees of Congress a report that contains, for the most recent fiscal year ending before the submittal of the report, a description of all performance awards or bonuses awarded to each of the following:

- (1) Regional Office Director of the Department.
- (2) Director of a Medical Center of the Department.
- (3) Director of a Veterans Integrated Service Network.
- (4) Senior executive of the Department.

(b) Elements - Each report submitted under subsection (a) shall include the following with respect to each performance award or bonus awarded to an individual described in such subsection:

- (1) The amount of each award or bonus.
- (2) The job title of the individual awarded the award or bonus.
- (3) The location where the individual awarded the award or bonus works.

(c) Definitions - In this section:

- (1) The term "appropriate committees of Congress" means the Committees on Veterans' Affairs and Appropriations of the Senate and House of Representatives.
- (2) The term "senior executive" means-
 - (A) a career appointee; or
 - (B) an individual-
 - (i) in an administrative or executive position; and
 - (ii) appointed under section 7306(a) or section 7401(1) of this title.
- (3) The term "career appointee" has the meaning given that term in section 3132(a) of title 5."

Discussion

Compliance with 38 U.S.C. § 726 requires a collaborative effort between VA's Corporate Senior Executive Management Office (CSEMO) in the Office of Human Resources and Administration/Operations, Security and Preparedness and other VA

Administrations to identify the “high level employees” who received performance awards or bonuses. The law specifically identifies Regional Office (RO) Directors as one category of “high-level employees.” Some RO Directors are GS-15s and therefore, are not bound by the performance appraisal system for members of the Senior Executive Service (SES) and Senior Executive Equivalents (T38 EQVs). CSEMO obtained the list of RO Directors that received performance awards from the Veterans Benefits Administration. In addition, CSEMO worked collaboratively with the Veterans Health Administration to identify those T38 EQVs who also received performance awards.

Performance awards may be given to career executives and are for performance during the most recently completed appraisal period. Senior Executive pay adjustments are generally based on individual performance, as determined under a rigorous performance management system. CSEMO used HR Smart, VA’s authoritative source of employee data, to identify all senior executives appointed under title 5 (career) and title 38 (equivalents) for the performance appraisal closeout process for fiscal year (FY) 2022. Senior Executives and Senior Executive Equivalents who were rated Outstanding (Level 5), Exceeds Fully Successful (Level 4) or in some cases Fully Successful (Level 3) were eligible for an award as a result of the FY 2022 performance cycle, and therefore are included in the enclosed list. The total amount of all performance awards and performance-based pay increases for FY 2022 performance is included in the table below.

Table 1: Percentage of Awards based on Final Rating Level and Score

FY 2022 Performance-Based Awards and Pay Increases				
Level	Score	Performance Award (Percent of Base Salary)	Performance-Based Pay Increase	Total Award Compensation
5	500	12.5%	4.1%	16.6%
5	499-490	11%	4.1%	15.1%
5	489-480	9%	4.1%	13.1%
5	479-475	8%	4.1%	12.1%
4	474-450	7%	3%	10%
4	449-400	6%	3%	9%
3	399-350	5%	2%	7%
3	349-300	0%	2%	2%

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