

Foreword

The Homeland Security Act of 2002 authorizes the Secretary of Homeland Security and the Director of the Office of Personnel Management (OPM) to develop new human resources (HR) systems for the Department of Homeland Security (DHS) in pay, performance management, classification, disciplinary matters (adverse actions and appeals), and labor-management relations. Secretary Tom Ridge and Director Kay Coles James will jointly decide what the new systems should be and how to administer them.

The DHS/OPM HR Systems Design Team

In April 2003, the Secretary and the Director assembled a design team composed of DHS managers and employees, HR experts from DHS and OPM, and representatives from the agency's three largest unions, the American Federation of Government Employees, the National Treasury Employees Union, and the National Association of Agriculture Employees. The design team's mission was to develop a wide range of options for consideration by the DHS Human Resources Management System Senior Review Advisory Committee and, ultimately, by Secretary Ridge and Director James.

The design team assembled a considerable body of research on promising and successful HR policies and practices in private sector companies, non-profit organizations, state and local governments, and other Federal agencies. In addition, the team conducted a review of selected literature and heard from a number of highly regarded experts in HR systems. Finally, the team conducted a series of Town Hall and Focus Group meetings around the country to obtain views on which systems are working well in DHS and which systems need improvement.

The Options Development Process

The options development process was collaborative; however, the design team did not attempt to reach consensus regarding the merits of the options. Consequently, none of the 52 options presented here represents a consensus view of the design team.

The content of this document has not been reviewed by legal counsel, nor does it indicate any kind of preference among options presented to the Senior Review Advisory Committee.

Some of the options are "stand-alone" options that address only one of the six subject matter areas under consideration. Some are "plug and play" options that address only one aspect of one of the six subject matter areas. Many of the pay, performance, and classification options and some of the adverse action and appeal options present integrated options that illustrate how various systems might work in combination. The options presented here do not represent all the possible ways in which HR systems could be designed at DHS. The Senior Review Advisory Committee and/or Secretary Ridge and Director James may find other ways of combining the design elements to create different options.

Implications of Options

The options template approved by the Senior Review Advisory Committee in July 2003 for use in presenting options provides an opportunity for design team members to suggest “possible advantages/benefits” and “possible problems/challenges” for each option. The views expressed in these “implications” represent the opinions of one or more members of the design team and therefore reflect sometimes opposing points of view. These opinions do not reflect the collective judgment of the entire design team on any of the issues addressed. Nor have they been reviewed for legal accuracy.

Coverage Issues

The design team developed options based on the assumption that DHS employees covered by the pay, performance, classification, labor relations, adverse actions, and appeals chapters of title 5, United States Code, will remain covered by those provisions unless and until DHS and OPM jointly exercise their authority to waive those title 5 provisions and establish alternative rules.

The joint DHS/OPM authority to establish new systems for DHS generally does not reach to provisions of law outside title 5. For example, the basic pay system established under the DC Code for Secret Service Uniformed Division officers cannot be altered administratively through the joint DHS/OPM authority, and legislative action would be required to modify those provisions. In some cases, however, laws authorizing separate pay and classification systems for DHS employees not covered by title 5 provide considerable administrative discretion for modification of those systems. The Transportation Security Administration (TSA) generally must adopt the system established for Federal Aviation Administration employees, but the Administrator of TSA is authorized to modify that system as he sees fit. Similar discretionary authority applies to the pay systems for certain employees of the Emergency Preparedness and Response Directorate of DHS (“Stafford Act employees”) and to employees of the U.S. Coast Guard Academy. Thus, it might be possible for DHS to extend a new pay system designed for employees currently covered by title 5 administratively to TSA employees, Stafford Act employees, and/or employees of the Coast Guard Academy. The pay, performance, and classification options identify the specific categories of DHS employees for whom a new system is intended. (None of the options is designed to cover Coast Guard Academy employees.)

Finally, the design team notes that none of the options presented here is designed to cover members of the Senior Executive Service (SES). The Homeland Security Act authorizes the Secretary and the Director to modify the title 5 pay and performance management provisions applicable to the SES, and this will be addressed through a separate process.