

A Message from the Director of the U.S. Office of Personnel Management

I am pleased to report to the Congress and the public the commitment to veterans' preference in Federal employment remained strong in Fiscal Year (FY) 2003. However, we owe more than preference in Federal hiring to eligible veterans. As President George W. Bush has said, "We owe them the life we know today."



My role as the President's chief advisor on Federal human capital is to see this debt of honor is fully met with respect to the personnel practices of Federal agencies. It is not only a matter of honor, but a matter of good business, that we welcome veterans to the Federal family. Veterans are the product of a system of human resources management that emphasizes strategic management, systematic development, and flexible assignment. Federal agencies should strive to emulate in their management of civilians. The following highlights demonstrate veterans remain a critical part of the Federal employment strategy:

- 30 Percent or More Disabled Veterans were hired in greater numbers (5,101), an increase of 16.7 percent over FY 2002.
- Disabled veterans (30 Percent or More and others) nearly doubled their share of full-time, permanent positions over the previous year, increasing that rate from 3.7 percent to 6.7 percent in FY 2003.
- Veterans enjoyed a greater share of new hire full-time, permanent positions, increasing from 26 percent in FY 2002 to 33 percent in FY 2003.
- Veterans increased their share of all new hires, from 17.4 percent in FY 2002 to 18.2 percent in FY 2003.

The American civil service is bettered because of the presence of veterans. Indeed, veterans continue to represent approximately one of every four employees in our Federal workforce. This report will demonstrate in greater detail, the high level of commitment by this President, my office, and Federal agencies to this enduring principle.

Kay Coles James

Director



"Today and every day, the prayers of the American people are with those who wear our country's uniform. They serve a great cause and they follow a great tradition, handed down to them by America's veterans. Our veterans from every era are the finest of citizens. We owe them the life we know today. They command the respect of the American people, and they have our lasting gratitude."

President George W. Bush



TABLE OF CONTENTS

Executive Summary	1
Statutory Changes Affecting the Employment of Veterans.....	3
Introduction.....	4
Data Sources.....	5
Status of Veterans in the Federal Non-Postal Workforce.....	6
Veterans.....	6
Disabled Veterans.....	8
30 Percent or More Disabled Veterans.....	10
Grade and Occupational Distribution of Veterans.....	12
Hiring of Veterans in the Federal Non-Postal Workforce in FY 2003.....	13
New Hires by Departments and Agencies.....	16
Veterans.....	16
Disabled Veterans.....	18
30 Percent or More Disabled Veterans.....	19
Use of Special Hiring Authorities for Disabled Veterans.....	21
VEOA Activity.....	22
VRA Activity.....	23
Promotion of Veterans in the Federal Non-Postal Workforce.....	26
Promotion of Disabled Veterans.....	29
Promotion of 30 Percent or More Disabled Veterans.....	30
Retirements of Veterans in the Federal Non-Postal Workforce in FY 2003.....	31
Separations of VRA Appointees.....	32
Tennessee Valley Authority.....	34
U.S. Postal Service.....	35
Agency Highlights.....	36
Recruitment.....	36
Training.....	38
Career Advancement.....	39
List of Agencies Required to Submit DVAAP Accomplishments and Plan Certificates to OPM.....	40
Glossary of Terms.....	42

Executive Summary

This report captures the state of veterans' employment within the Federal workforce from October 1, 2002, through September 30, 2003.

- During Fiscal Year (FY) 2003, veteran employment in the Federal workforce remained relatively stable. While the overall workforce grew by 1.2 percent, both the total veterans population and new hires of veterans decreased slightly, by 0.2 percent and 3.8 percent respectively, from FY 2002.
- Veterans increased their share of new, non-postal Federal hires from 17.4 percent in FY 2002 to near 18.2 percent in FY 2003. Employment of veterans in white- and blue-collar jobs remained relatively constant.
- Veterans increased their share of new hire full-time, permanent positions from 26 percent in FY 2002 to 33 percent in FY 2003, which included 6.7 percent disabled, 4.3 percent Vietnam veterans, and 3.5 percent for 30 Percent or More Disabled Veterans.
- Veterans saw a strong increase in the number of appointments under the Veterans Employment Opportunities Act (VEOA) of 1998, increasing to 10,860 from 9,158 appointments the previous year.
- 30 Percent or More Disabled Veterans were hired in greater numbers (5,101), an increase of 16.7 percent over FY 2002. All 18 executive departments and 26 independent agencies with 500 or more employees exceeded the private sector representation rate of 0.7 percent for the hiring of disabled veterans.
- Disabled veterans nearly doubled as a percentage of full-time, new hire permanent positions over the previous year, increasing that rate from 3.7 percent in FY 2002 to 6.7 percent in FY 2003.
- The Department of Defense (DoD) remains the largest single Federal employer of veterans, employing 50.4 percent of all Federal, non-postal veterans. In addition, DoD hired more than half of all disabled veterans within the Federal Government, representing some 3.6 percent of all new hires within the Federal Government.
- With respect to promotions, veterans received 23 percent of all promotions, nearly a percentage point higher than the previous year – during a time when the number of non-veteran promotions declined. The Department of the Treasury and the Department of Veterans Affairs accounted for over 60 percent of these promotions. More disabled veterans were promoted during this year, 12,365, which was up from 12,081 in the previous year.

OPM continued and expanded outreach efforts in FY 2003, and increased these efforts further in FY 2004. We expect the results of our hard work to be realized in subsequent reports. During FY 2003,

we provided educational tools and publications to veterans about job opportunities in the Federal workforce. Through our newly created Veteran Invitational Program, we visited military transition assistance program offices to educate and inform military personnel transitioning to civilian life on careers with the Federal Government and we continued to partner with veteran service organizations to increase veterans' knowledge of employment opportunities.

Statutory Changes Affecting the Employment of Veterans

- In 1998, Congress enacted the Veterans Employment Opportunities Act (VEOA), which created a new hiring authority. Since 1998, this authority has become one of the most frequently used methods of appointing veterans. There were 10,860 VEOA appointments in FY 2003, an increase from the 9,158 in FY 2002.
- The Jobs for Veterans Act of 2002 (Public Law 107-288), enacted on November 7, 2002, contained several significant changes to the Veterans Readjustment Appointments (VRA) Program. The law replaced the Veterans Readjustment Appointment authority and its 10-year eligibility period with a Veterans Recruitment Appointment authority and an unlimited eligibility period. In addition, the eligibility criteria for appointment were changed significantly. As a result, the following veterans are eligible for a VRA appointment:
 - Disabled veterans;
 - Veterans who served on active duty in the Armed Forces during a war, or in a campaign or expedition for which a campaign badge has been authorized;
 - Veterans who, while serving on active duty in the Armed Forces, participated in a military operation for which an Armed Forces Service Medal was awarded; and
 - “Recently separated veterans” – meaning veterans last separated from active duty within the past 3 years.

This report reflects the new VRA program name and eligibility criteria. The VRA law permits appointments to be made without regard to any limitation relating to the amount of active duty service performed before the veteran’s last discharge. Previously, the last discharge had to have been for active duty lasting more than 90 days. There were 5,904 VRA appointments in FY 2003, compared to 6,836 in FY 2002.

Introduction

This report describes the employment and promotion of veterans in the Federal Government for the 2003 fiscal year. The Office of Personnel Management (OPM) submits this report pursuant to section 4214 of title 38 of the United States Code, which calls for an annual report on the employment of veterans in the Federal Government which includes each department, agency, and instrumentality in the Executive Branch, as well as the U.S. Postal Service, the Postal Rate Commission, and the Tennessee Valley Authority. For the purposes of this report, Executive Departments includes the Military Departments and Department of Defense activities.

This is the first report that details the implementation of the Jobs for Veterans Act of 2002 (Public law 107-288), enacted on November 7, 2002, which made several significant changes to the Veterans Readjustment Appointment (VRA) Program.

Note: In past years, we have used FY 1996 as the base year for making multi-year trend and comparative analysis. In FY 1997, the preparers of the report changed the format to include comparisons to the previous year in addition to some instances of multi-year comparisons of activity from FY 1996 to the latest reporting year. That tradition has continued for several years. This year, however, we have moved to a 5-year point of reference for multi-year trend and comparative analysis. Thus, this report will contain multi-year comparisons of activity from FY 1999 through FY 2003 in addition to comparisons of FY 2003 veterans' activity to such activity in FY 2002.

Data Sources

The primary source of Federal employment data in this report was OPM's Central Personnel Data File (CPDF). The CPDF is an automated data file compiled from agencies' submissions of their workforce and personnel action data. It does not include employees of the Congress, Library of Congress, Judicial Branch, White House Office, Office of the Vice President, Central Intelligence Agency, National Imagery and Mapping Agency (NIMA; officially changed its name from NIMA to the National Geospatial-Intelligence Agency (NGA) with the signing of the 2004 Defense Authorization Bill), National Security Agency, Defense Intelligence Agency, U.S. Postal Service (USPS), Postal Rate Commission, Board of Governors of the Federal Reserve, Tennessee Valley Authority (TVA), or the Department of Agriculture Extension Service. It also excludes those employees paid out of non-appropriated funds (e.g., employees of post exchanges in the Department of Defense) and non-citizen employees of the Government in foreign countries.

Although the USPS, Postal Rate Commission, and TVA were not in the CPDF, they provided data independently for this report. Numbers for USPS and TVA appear in this report but are not included in the Governmentwide averages. Unless otherwise noted, the Federal statistics reported in this FY 2003 report exclude the USPS.

There are two types of information in the CPDF used to identify veterans: veterans' preference and veterans' status. Veterans' preference indicates an employee's entitlement to statutory preference under 5 U.S.C. 2108. This primarily includes disabled and combat veterans. Veterans' status indicates whether an employee is a veteran as defined by 38 U.S.C. 101 (i.e., a person who served in the active uniformed military service of the United States and who was discharged or released from service under conditions other than dishonorable). As of September 30, 2003, 88.1 percent of all Federal veterans' status employees also had veterans' preference.

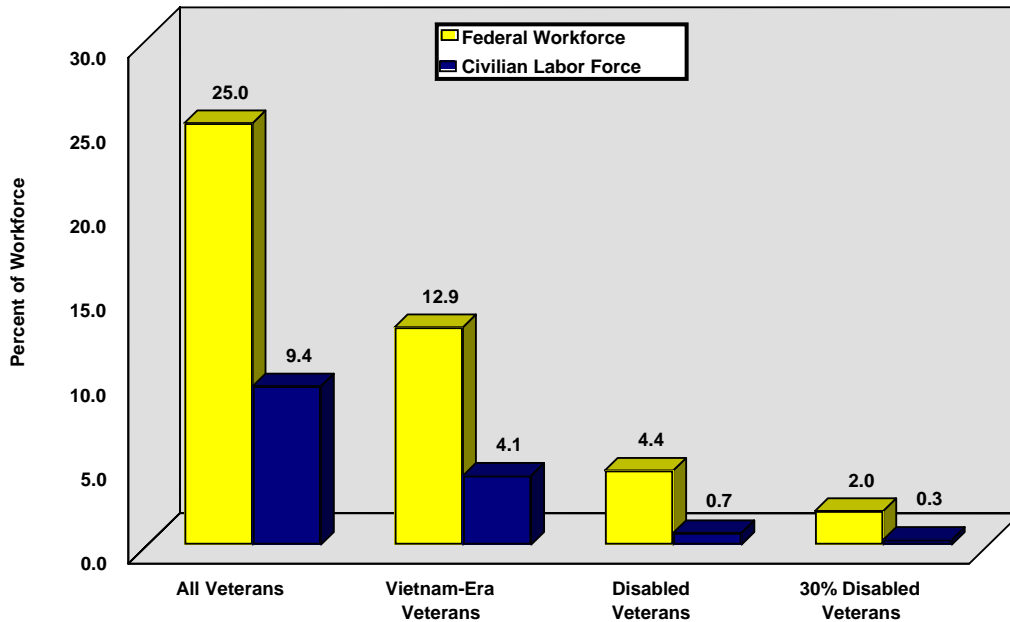
The terms "veteran employee," "veteran new hire," and "veteran promotion" are used throughout the report to denote employees with veterans' status.

Civilian Labor Force (CLF) information about veterans was taken from the August 2003 Veterans Supplement to the 2002 Current Population Survey conducted for the Department of Labor's Bureau of Labor Statistics by the Bureau of the Census.

The CLF's report of veterans' employment shows that veterans comprise 9.4 percent of the CLF. In addition, the percentages of the CLF for Vietnam-era veterans, disabled veterans, and 30 Percent or More Disabled Veterans are 4.1 percent, 0.7 percent, and 0.3 percent, respectively (Figure 1, page 6).

This report examines OPM's CPDF statistics for 18 executive departments and the 26 independent agencies that have 500 or more employees.

Figure 1.
Veterans in the Non-Postal Federal Civilian Workforce and the Civilian Labor Force



Note: Civilian Labor Force is for men and women, ages 18 years and over

Source: CLF data for all veterans and Vietnam-Era veterans from the 2002 Current Population Survey (CPS) conducted by the Bureau of Labor Statistics, U.S. Department of Labor. CLF data for disabled veterans and 30% disabled veterans from the August 2003 Veterans Supplement to the CPS. Federal data are from the U.S. Office of Personnel Management's Central Personnel Data File (CPDF), September 2003.

Status of Veterans in the Federal Non-Postal Workforce

Veterans

The Government's overall workforce increased by 1.2 percent from 1,772,615 in FY 2002 to 1,794,415 in FY 2003. Over the same period, the representation of veteran employees in the Federal workforce compared with the civilian workforce has remained essentially steady (down less than 1 percent from last year) (Figure 1, above).

The percentage of veterans employed in the Federal workforce declined from 26.5 percent in 1999 to 25 percent in FY 2003. However, the percentage of disabled veterans in Federal civilian service in FY 2003 is only slightly less than it was in FY 1999--4.6 percent during that year versus 4.4 percent during FY 2003. The application of veterans' preference in recruiting and retention has contributed to this consistent representation of disabled veterans in the Federal workforce.

The Department of Defense (DoD) civilian workforce, which includes the Air Force, Army, Navy, DoD agencies and other activities, had a net loss of 7,312 veteran employees--down from 233,705 in FY 2002 to 226,393 in FY 2003. However, DoD employed over 33

percent (600,326 employees) of the non-Postal Federal civilian workforce, and 50.4 percent (226,393 employees) of the 449,009 veterans in the Federal service during FY 2003.

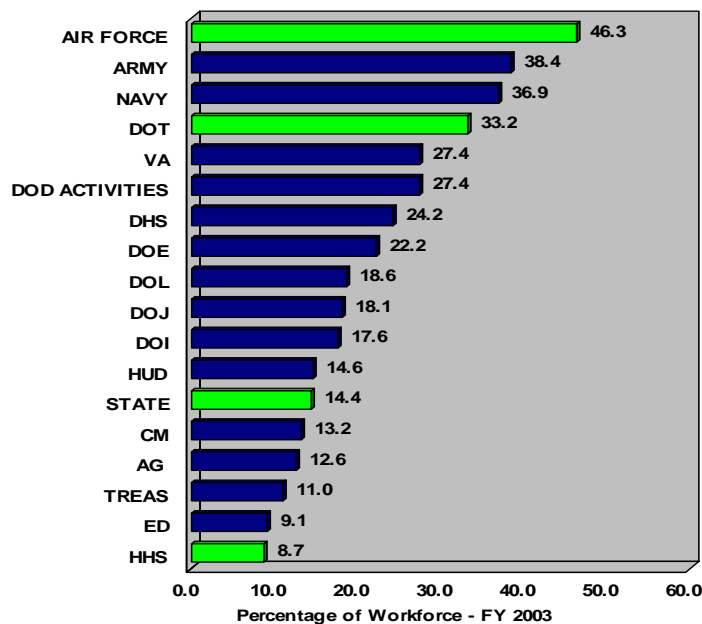
Figure 2, below, shows the percentage of veterans in each of the 18 executive departments, while Figure 3, page 8, gives the percentage of veterans in each of the 26 independent agencies with 500 or more employees. The key to Federal agency abbreviations used throughout this report is listed on pages 40 and 41.

DoD, the Department of Transportation (DOT), the Department of Veterans Affairs (VA), the Department of Homeland Security (DHS), and the Department of Energy (DOE) were the executive departments with the highest percentage of veterans in the workforce. The veterans' employment percentages for these agencies ranged from 46.3 percent to 22.2 percent (Figure 2, below).

Independent agencies with 500 or more employees are shown separately. The seven independent agencies with the highest percentage of veterans were the Armed Forces Retirement Home (AFRH), the General Services Administration (GSA), the Smithsonian Institution (SI), the National Credit Union Administration (NCUA), the Nuclear Regulatory Commission (NRC), the Small Business Administration (SBA), and the Office of Personnel Management (OPM). The percentages of veterans on board ranged from 26.6 percent to 17.6 percent (Figure 3, page 8).

The percentage of veterans in non-Postal Federal agencies equaled or exceeded the CLF rate (9.4 percent) in 16 of 18 executive departments and in 18 of 26 independent agencies for FY 2003 (Figures 2, below, and 3, page 8, respectively).

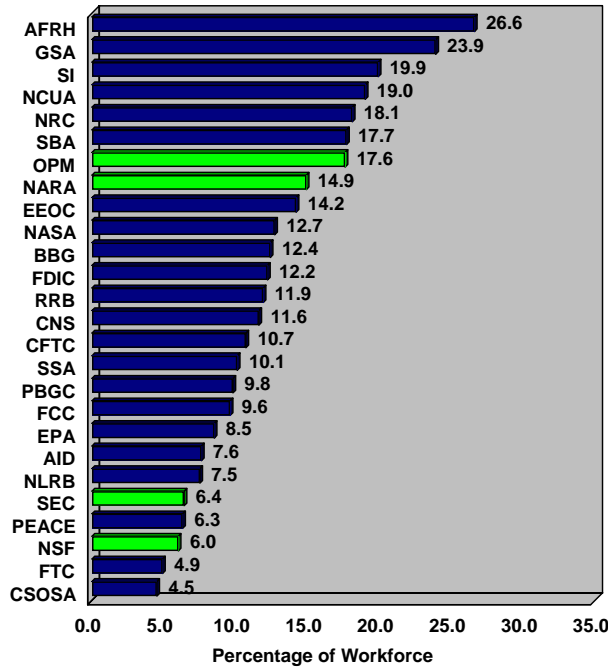
Figure 2.
Representation of Veterans in Federal Executive Departments



Source: U.S. Office of Personnel Management's Central Personnel Management File.

Green - Green represents a higher percentage than the previous year.

Figure 3.
Representation of Veterans in Federal Independent Agencies (500+ Employees)



Four executive departments: Air Force, DOT, State, and HHS, actually employed veterans at a higher percentage in FY 2003 than they did in FY 2002--despite a decrease in the number of veterans available within the workforce. The increases were 1.0, 4.9, 0.2, and 0.3 percent, respectively.

Four of the independent agencies: OPM, NARA, PEACE, and NSF, showed percentage increases in on-board veterans during FY 2003. The increases ranged from 0.1 percent to 1.9 percent. These increases were obtained despite an overall decline of 1,091 in the number of veterans on-board within the non-Postal Federal agencies during FY 2003.

These results reflect an overall decline in the number of veterans available for agencies to recruit coupled with a relatively high rate of retirement for Federally employed veterans -- 4.1 percent versus 2.4 percent for all non-Postal Federal employees in FY 2003.

Disabled Veterans

During FY 2003, the employment of disabled veterans in the Federal Non-Postal workforce totaled 78,450 individuals. This was a net 2.6 percent decrease of 2,069 total disabled veterans from the FY 2002 number of 80,519 disabled veterans.

DoD, VA, DOL, and DOT continue to employ the highest number of disabled veterans. Together, they employed more than three-fourths (76 percent, or 59,616) of all disabled

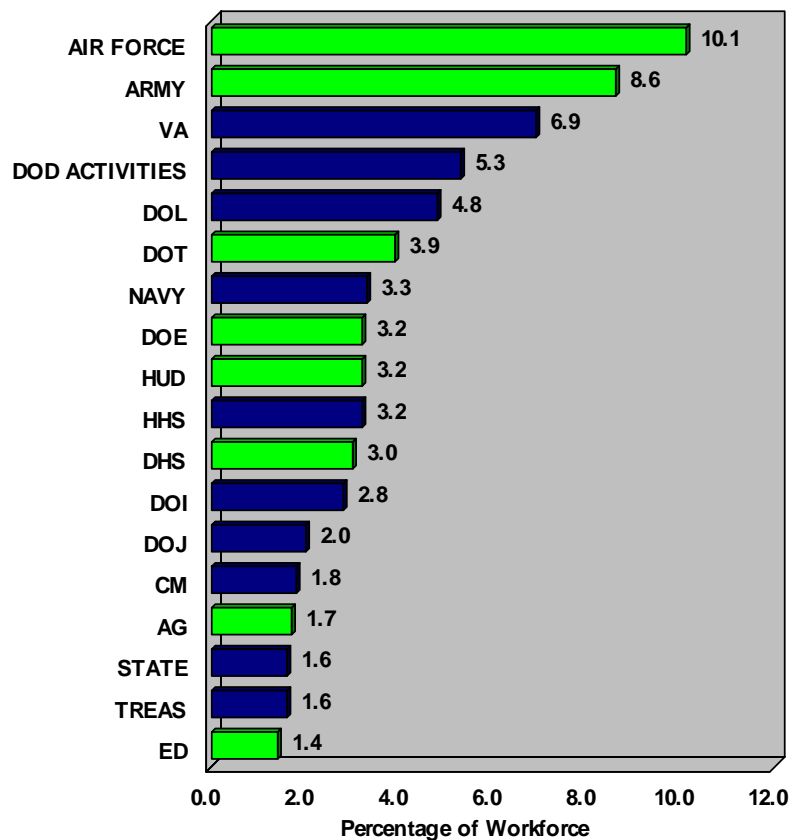
veterans in the Federal civilian workforce. These agencies represent 50.5 percent (905,486 employees) of the total Federal non-Postal civilian workforce.

The percentage of disabled veterans in each of the executive departments and independent agencies is shown in Figure 4 (below) and Figure 5, page 10. Disabled veterans employment data for FY 2003 indicate that all 18 executive departments and 25 of the 26 independent agencies with 500 or more employees exceed the CLF representation rate of 0.7 percent for disabled veterans.

The independent agencies with the highest percentage of disabled veterans are AFRH (6.1 percent), GSA (4.1 percent), CNS (3.6 percent), EEOC (3.5 percent), and NCUA (3.4 percent) (Figure 5, page 10).

In FY 2003, eight executive departments employed a higher percentage of disabled veterans than in FY 2002. The percentage increases ranged from 0.1 to 1.2. Also, 11 independent agencies showed percentage increases in FY 2003. The increases ranged from 0.1 to 0.3 percent.

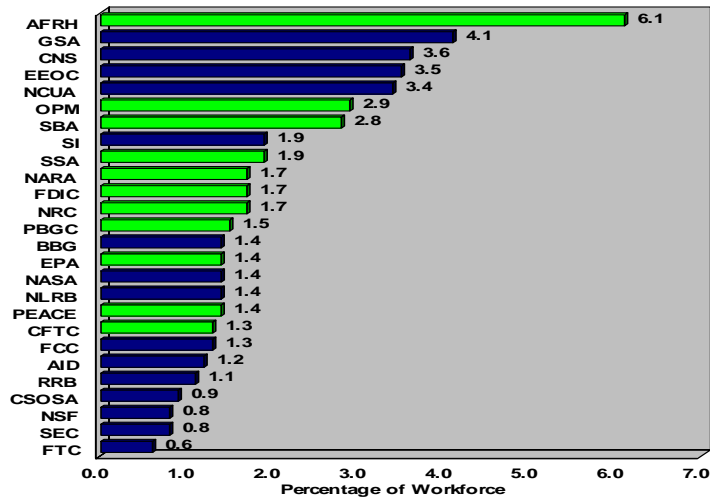
Figure 4.
Representation of Disabled Veterans in Federal Executive Departments



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green - Green represents a higher percentage than the previous year.

Figure 5.
Representation of Disabled Veterans in Federal Independent Agencies (500+ Employees)

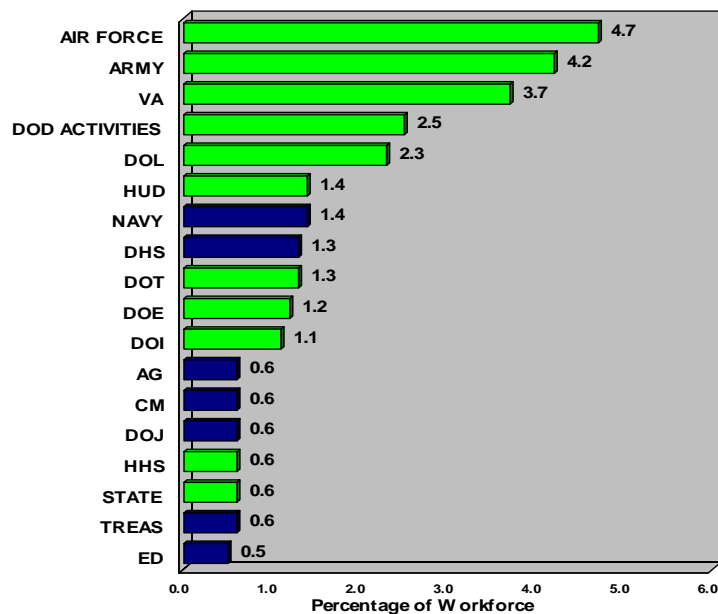


Source: U.S. Office of Personnel Management's Central Personnel Data File
█ - Green represents a higher percentage than the previous year.

30 Percent or More Disabled Veterans

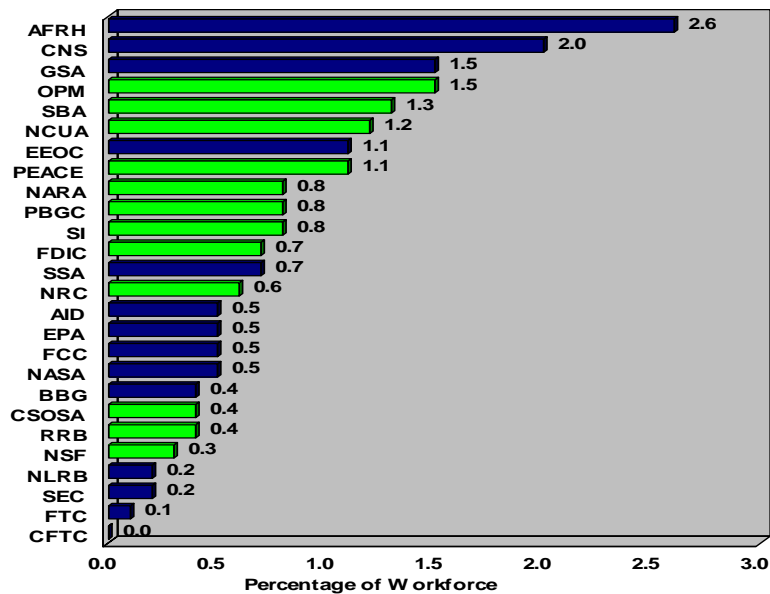
The percentage of 30 Percent or More Disabled Veterans employed in executive departments and independent agencies is shown in Figures 6 and 7. The data reveal that all 18 executive departments and 22 of the 26 independent agencies with 500 or more employees equal or exceed the CLF representation rate (0.3 percent) for 30 Percent or More Disabled Veterans (Figure 6, below, and Figure 7, page 11).

Figure 6.
Representation of 30 Percent or More Disabled Veterans in Federal Executive Departments



Source: U.S. Office of Personnel Management's Central Personnel Data File
█ - Green represents a higher percentage than the previous year.

Figure 7.
Representation of 30 Percent or More Disabled Veterans in
Federal Independent Agencies (500 + Employees)



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green - Green represents a higher percentage than the previous year.

The total of 30 Percent or More Disabled Veterans in the Federal civilian workforce increased to 35,901 employees in FY 2003 from 35,154 in the previous year.

Representation of 30 Percent or More Disabled Veterans in the Federal civilian workforce remained at 2.0 percent in FY 2003.

New hires of 30 Percent or More Disabled Veterans increased by 16.7 percent from the previous year, from 4,370 to 5,101. This is a particularly noteworthy achievement.

There is additional evidence of the vigorous hiring of 30 Percent or More Disabled Veterans in FY 2003. For example, the total VA workforce increased by 7,383 (3.3 percent) to 230,238 during FY 2003. However, the number of 30 Percent or More Disabled Veterans employed at VA rose from 7,899 to 8,495 during the same time, a net increase of 596 (7.5 percent).

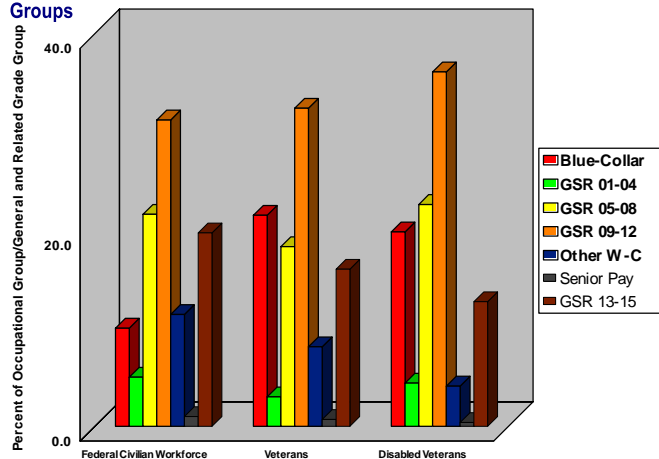
Four departments: DoD, DOL, DOT, and VA, accounted for more than three-fourths (87.5 percent, or 28,577 employees) of all 30 Percent or More Disabled Veterans in the non-Postal Federal workforce during FY 2003 (Figure 6, page 10).

From FY 2002 to FY 2003, 11 of the executive departments showed increases in their employment of 30 Percent or More Disabled Veterans, with the increases ranging from 0.1 to 0.6 percent. Twelve independent agencies showed increases ranging from 0.1 to 0.3 percent.

Grade and Occupational Distribution of Veterans

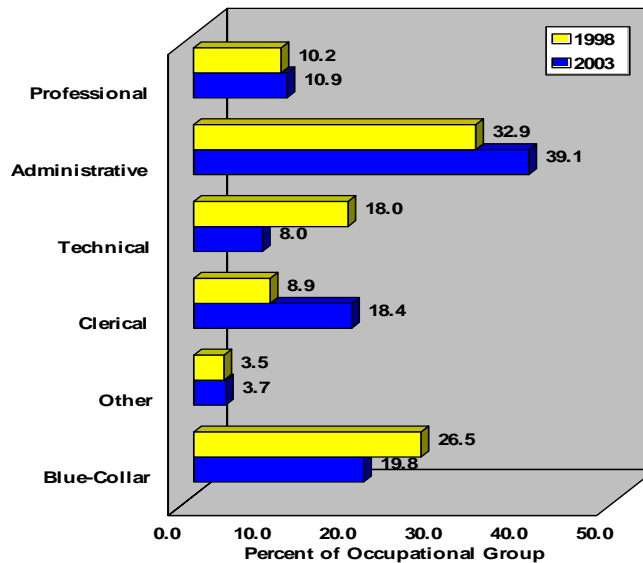
Figure 8, below, shows the distribution of veterans and disabled veterans in the Federal civilian workforce across Federal pay systems, grade levels, and occupational groupings. These include blue-collar, white-collar General Schedule and Related Pay Plans (GSR 1 to GSR 15), as well as the senior pay level and other groups not subject to title 5 pay systems--such as demonstration projects. Despite the retirement of many Federal veteran employees, veterans remain prominent both in blue-collar jobs and in white-collar jobs at grades GS-9-12.

Figure 8.
Veterans and Disabled Veterans Compared to Total Federal Executive Workforce by Blue-Collar and White-Collar Pay Groups



Source: U.S. Office of Personnel Management's Central Personnel Data File

Figure 9.
Disabled Veteran Employment Distribution by Occupational Category



Source: U.S. Office of Personnel Management's Central Personnel Data File

Figure 9, page 12, shows the percentage of disabled veteran employment for FY 1998¹ and FY 2003 by occupational category. Over this time period, there have been shifts in the occupational distribution of disabled veterans employed in professional, administrative, technical, clerical, other, and blue-collar occupations:

- The percentage of disabled veterans increased in the professional occupations, from 10.2 percent to 10.9 percent.
- At the same time, the percentage of disabled veterans increased in administrative occupations, from 32.9 percent to 39.1 percent.
- Additionally, the percentage of disabled veterans in clerical occupations increased, from 8.9 percent to 18.4 percent.
- The percentage of disabled veterans decreased in blue-collar occupations, from 26.5 percent to 19.8 percent.

According to the latest figures available from VA, 24.8 percent of male veterans 20 or older completed four or more years of college compared to 27.4 percent for comparable non-veterans. Despite this education gap, the representation of veterans increased in administrative and clerical occupations—from 41.8 percent in FY 1999² to 57.5 percent in FY 2003. During that time, the representation of veterans in blue-collar occupations declined from 26.5 percent to 19.8 percent.

Among female veterans 20 or older, 29.1 percent completed four or more years of college compared to 24.5 percent for comparable female non-veterans. The same is true of female veterans 40 to 54, where 31.8 percent completed four years or more of college compared to 28.8 percent for the non-veteran female population. That is a significant achievement for female veterans.

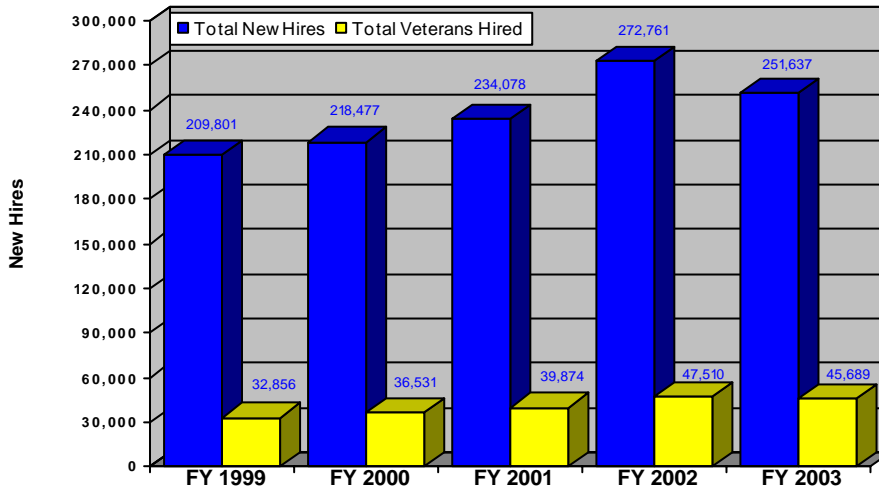
Hiring of Veterans in the Federal Non-Postal Workforce in FY 2003

Figure 10, page 14, shows that between FY 1999 and FY 2003 the total number of new hires in the Federal Government (including part-time and intermittent employees) rose from 209,801 to 251,637-- a 19.9 percent increase. It also shows the percentage of veterans among all new hires from FY 1999 to FY 2003. Figure 11, page 14, illustrates the distribution of veteran and non-veteran new hires across occupational categories.

¹FY 1998 data were used, because no report was published for FY 1999.

²FY 1999 data were available for the representation of veterans by employment category.

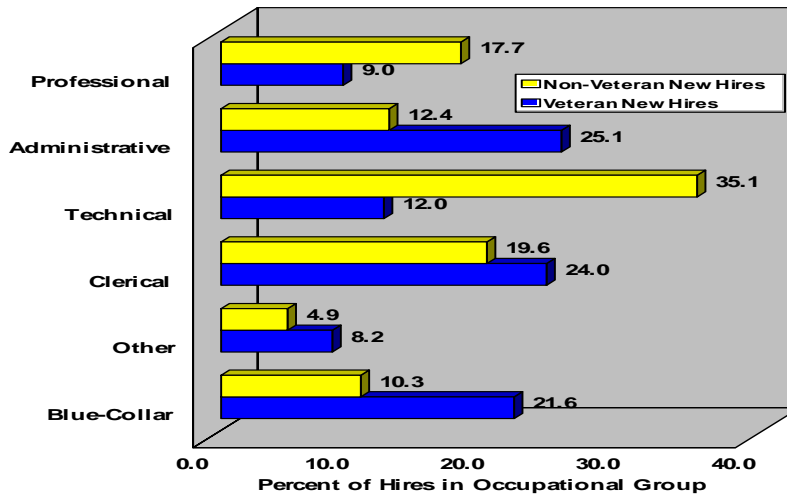
Figure 10.
Veterans Percent of Total New Hires in Federal Workforce FY 1999 – FY 2003



Total New Hires	209,801	218,477	234,078	272,761	251,637
Total Veteran Hires	32,856	36,531	39,817	47,510	45,689
Vets % of New Hires	15.7%	16.7%	17.0%	17.4%	18.2%

Source: U.S. Office of Personnel Management's Central Personnel Data File

Figure 11.
New Veteran and Non-Veteran Hires by Occupational Category



Source: U.S. Office of Personnel Management's Central Personnel Data File

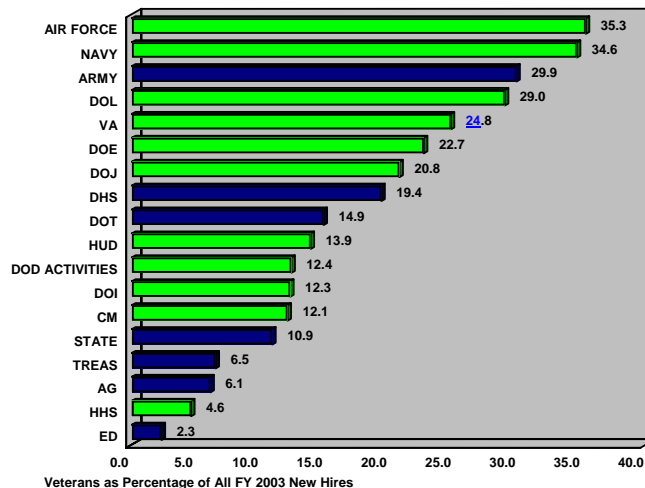
Federal hiring statistics during FY 2003:

- The number of veterans hired decreased by 1,821 from 47,510 in FY 2002 to 45,689 in FY 2003 at a time when the number of total hires Governmentwide decreased by 21,124 from 272,761 in FY 2002 to 251,637 in FY 2003. However, as a percentage of all hires, there was a net increase in the percentage of veterans hired in FY 2003 from 20.1 percent in FY 2002 to 20.5 percent in FY 2003.

- In FY 2003, 9 percent of new veteran hires were in professional occupations. The predominant occupations for new veteran hires were administrative (25.1 percent) and clerical occupations (24 percent) (Figure 11, page 14).

Among non-DoD executive departments, DOL, VA, DOE, DOJ, and DHS had the highest percentages of new veteran hiring. The percentages ranged from 29.0 percent to 19.4 percent (Figure 12, below).

Figure 12.
New Veteran Hires in Federal Executive Departments

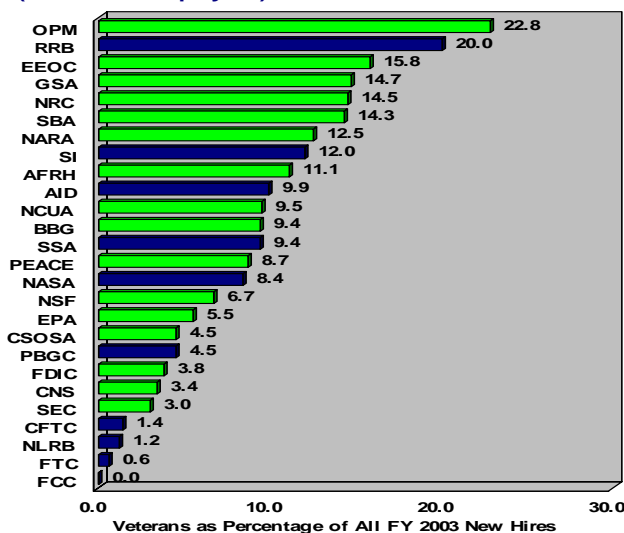


Source: U.S. Office of Personnel Management's Central Personnel Data File

Green represents a higher percentage than the previous year.

Among the independent agencies, OPM, RRB, EEOC, GSA, NRC, SBA, NARA, and SI had the highest new veteran hiring percentages ranging from 22.8 percent to 12.0 percent (Figure 13, below).

Figure 13.
New Veteran Hires in Federal Independent Agencies (With 500 + Employees)



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green represents a higher percentage than the previous year.

New Hires by Departments and Agencies

Veterans

The percentages of new veteran hires in executive departments and independent agencies are shown in Figures 12 and 13, page 15.

- Within the departments, DoD made almost half (20,934, or 47.1 percent) of all new veteran hires in FY 2003. In contrast, DoD was responsible for 29.4 percent of total Federal hires.
- The non-DoD departments with the highest percentage of newly hired veterans within their populations were DOL (29.0 percent), VA (24.8 percent), DOE (22.7 percent), DOJ (20.8 percent), and DHS (19.4 percent) (Figure 12, page 15).
- Figure 13 shows the independent agencies with the highest percentage of new veteran hires: OPM (22.8 percent), RRB (20.0 percent), EEOC (15.8 percent), GSA (14.7 percent), NRC (14.5 percent), SBA (14.3 percent), NARA (12.5 percent), and SI (12.0 percent).
- Eleven executive departments showed increases in new veteran hires in FY 2003, with the increases ranging from 0.5 to 13.7 percent (Figure 12, page 15).
- Sixteen independent agencies showed increases in new veteran hires in FY 2003, with the increases ranging from 0.3 to 6.0 percent (Figure 13, page 15).

Table 1, page 17, summarizes Federal hiring trends from FY 1999 through FY 2003 for new veteran hires by selected veteran population. Table 2, page 17, summarizes Full-Time Permanent (FTP) hires for the same period and same populations.

During FY 2003, veterans represented 18.2 percent of all new hires in the Federal Government and 33 percent of all FTP new hires (Table 2, page 17). Of the FTP new hires, 4.3 percent were Vietnam-era veterans; 6.7 percent were disabled veterans; and 3.5 percent were 30 Percent or More Disabled Veterans (Table 2, page 17). The second and third categories showed substantial increases over previous years.

The relatively high percentage of FTP veteran new hires has averaged 30.2 percent since FY 1999. At the end of FY 2003, the average was 33.0 percent. Hiring trends for veterans remain similar across agencies.

Table 1
New Veteran Hires: 1999-2003

Total Hire Data	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
All Federal Hires	209,801	218,477	234,078	272,761	251,637
Veteran Hires	32,856	36,531	39,874	47,510	45,689
Pct of All Feds Hired	15.66	16.72	17.03	17.42	18.16
Vietnam-Era Veteran Hires	10,694	10,741	11,217	9,411	8,339
Pct of All Employees Hired	5.10	4.92	4.79	3.45	3.32
Pct of All Veterans Hired	32.55	29.40	28.13	19.81	18.25
Disabled Veteran Hires	6,226	6,784	7,495	7,878	8,943
Pct of All Employees Hired	2.97	3.11	3.20	2.89	3.56
Pct of All Veterans Hired	18.95	18.57	18.80	16.58	19.57
30%+ Disabled Veteran Hires	3,067	3,476	4,035	4,370	5,101
Pct of All Employees Hired	1.46	1.59	1.72	1.60	2.03
Pct of All Veterans Hired	9.33	9.52	10.12	9.20	11.16
Pct of All Disabled Vets Hired	49.26	51.24	53.84	55.47	57.04

Table 2
New FTP Veteran Hires: 1999-2003
Full Time Permanent
(FTP) New Hire Data

(FTP) New Hire Data	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
All Federal Hires	52,545	64,276	78,315	119,871	79,179
Veteran Hires	15,614	19,997	24,301	31,325	26,099
Pct of All Feds Hired	29.70%	31.10%	31.00%	26.10%	33.00%
Vietnam-Era Veteran Hires	3,989	4,810	5,697	5,157	3,336
Pct of All Employees Hired	7.60%	7.50%	7.30%	4.30%	4.30%
Pct of All Veterans Hired	25.50%	24.10%	23.40%	16.50%	12.90%
Disabled Veteran Hires	2,878	3,493	1,220	4,491	5,288
Pct of All Employees Hired	5.50%	5.40%	1.60%	3.70%	6.70%
Pct of All Veterans Hired	18.40%	17.50%	5.00%	14.30%	20.30%
30%+ Disabled Veteran Hires	1,326	1,656	592	2,314	2,742
Pct of All Employees Hired	2.50%	2.60%	0.80%	1.90%	3.50%
Pct of All Veterans Hired	8.50%	8.30%	2.40%	7.40%	10.50%
Pct of All Disabled Vets Hired	46.10%	47.40%	48.50%	51.50%	51.90%

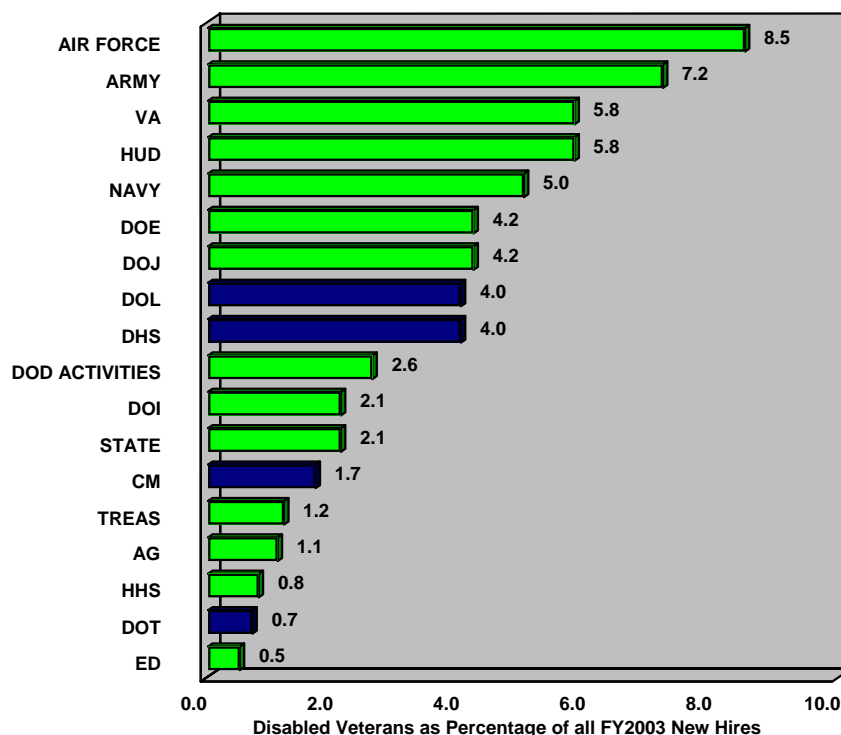
Disabled Veterans

During FY 2003, there were 8,943 new hires of disabled veterans. They constituted 3.6 percent of all new hires during FY 2003--compared to 2.9 percent during FY 2002. This indicates a continuing positive trend by agencies to consider and employ disabled veterans.

Figure 14 (below), provides the percentages of new disabled veteran hires in executive departments, and Figure 15, page 19, provides the statistics for independent agencies.

- DoD accounted for more than half (50.4 percent) of all disabled veterans hired during FY 2003, compared to 54.3 percent in FY 2002.
- Fourteen executive departments and 11 independent agencies showed increases in their representation of disabled veteran hires. The increases for the executive departments ranged from 0.2 to 2.8 percent, while the increases for the independent agencies ranged from 0.2 to 10.5 percent.

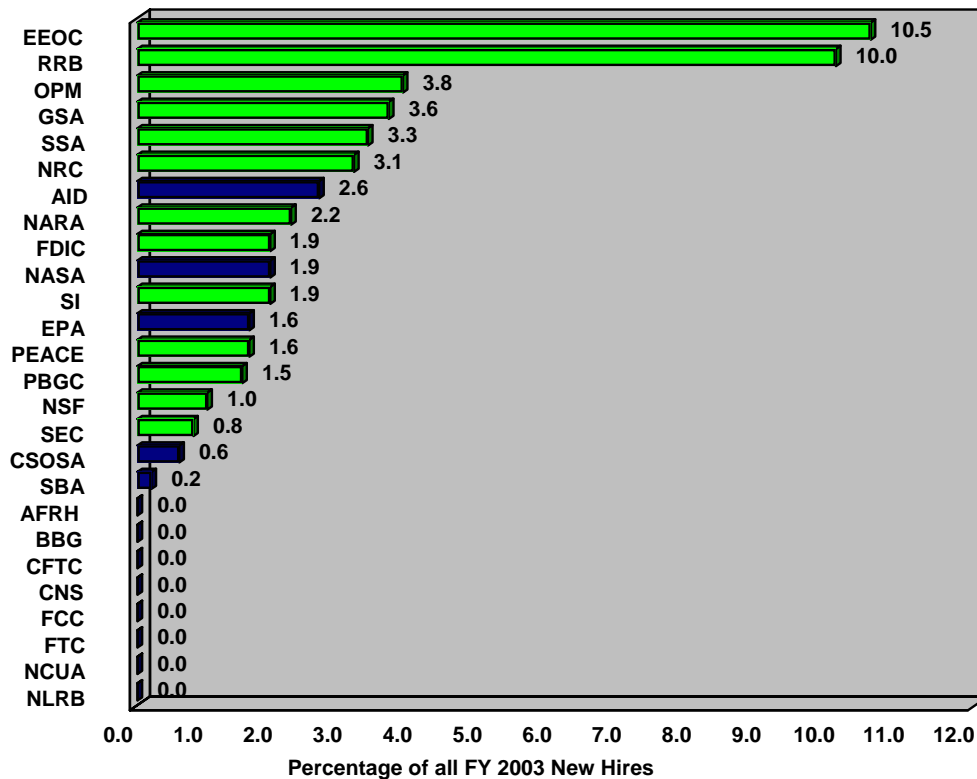
Figure 14.
New Hires of Disabled Veterans in Federal Executive Departments



Source: U.S. Office of Personnel Management's Central Personnel Data File

■ - Green represents a higher percentage than the previous year.

Figure 15.
New Hires of Disabled Veterans in Federal Independent Agencies (500+ Employees)



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green represents a higher percentage than the previous year

Twenty-six of the smaller independent agencies with fewer than 500 employees reported no new disabled veteran hires during FY 2003.

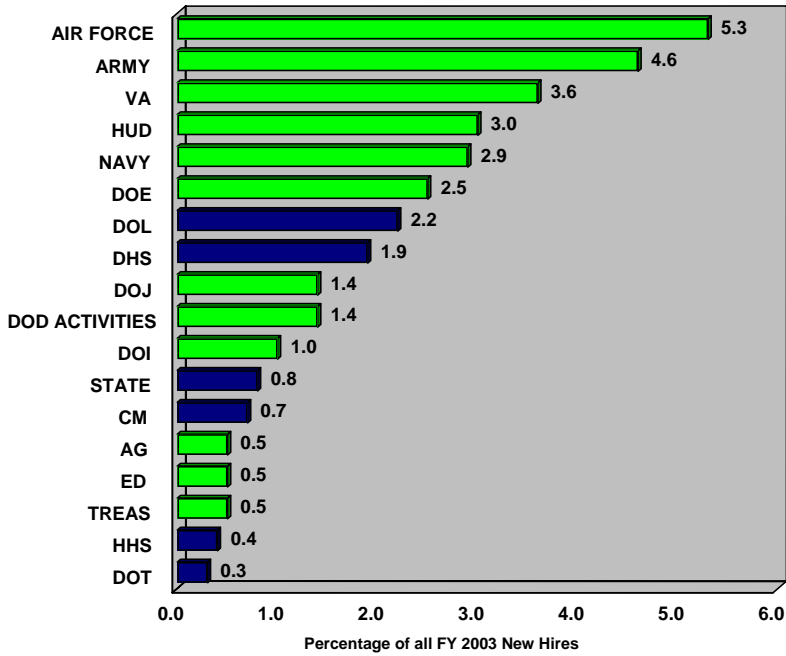
30 Percent or More Disabled Veterans

There were 5,101 hires of 30 Percent or More Disabled Veterans in FY 2003. This was 2.0 percent of all new hires during FY 2003. It equated to an increase of 731 (16.7 percent) from the 4,370 that were hired in FY 2002.

The 2.0 percent of total new hires during FY 2003 was higher than the 1.6 percent reported in FY 2002 (Table 1, page 17). This indicates that many agencies are considering and hiring 30 Percent or More Disabled Veterans at increasing rates.

Figure 16, page 20, provides the percentages of 30 Percent or More Disabled Veterans who were new hires in executive departments in FY 2003. Figure 17, page 20, provides similar statistics for independent agencies.

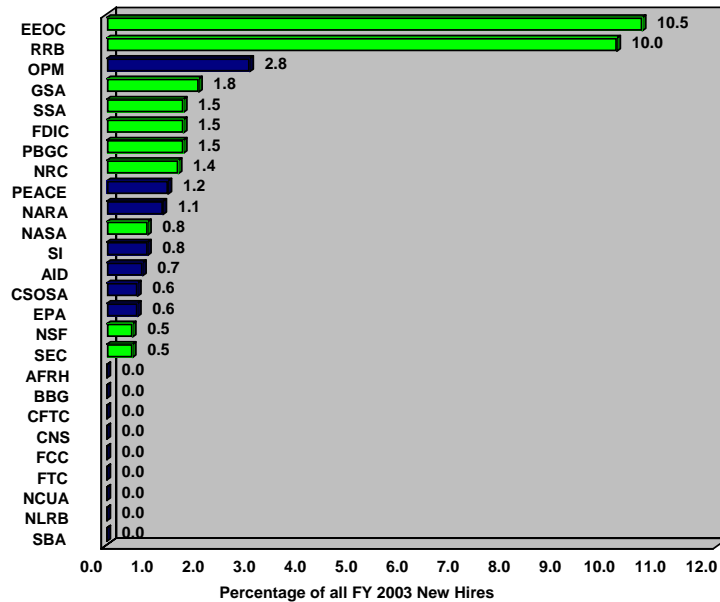
Figure 16.
New Hires of 30 Percent or More Disabled Veterans in
Federal Executive Departments



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green - Green represents a higher percentage than the previous year.

Figure 17.
New Hires of 30 Percent or More Disabled Veterans in
Federal Independent Agencies (500 + Employees)



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green - Green represents a higher percentage than the previous year.

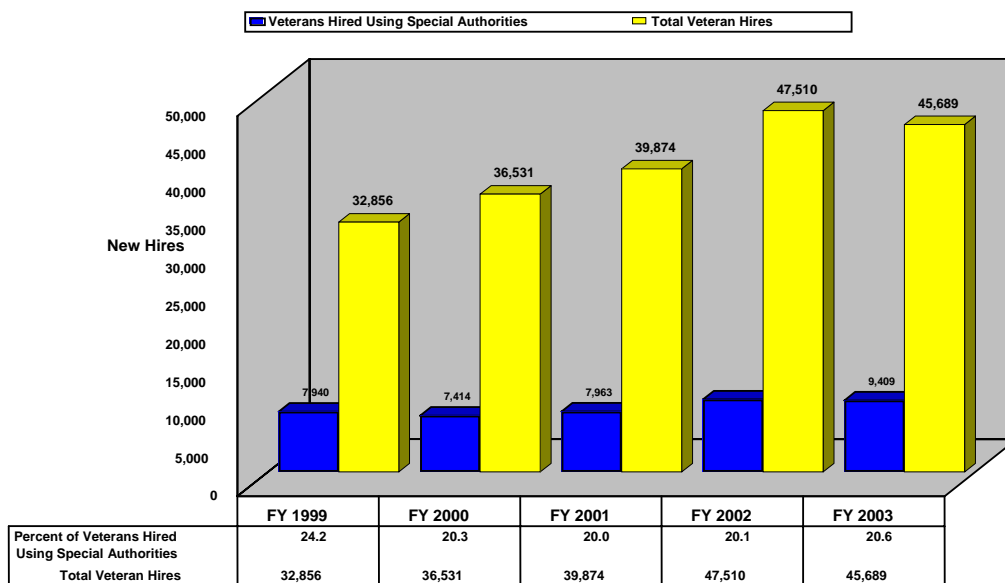
- DoD made 54.6 percent of all 30 Percent or More Disabled Veterans new hires in FY 2003, down from 57.2 percent in FY 2002.

- Twelve executive departments and ten independent agencies reported an increase in the representation of 30 Percent or More Disabled Veterans in their FY 2003 hiring data, compared to FY 2002. The increases in the executive departments ranged from 0.1 to 1.4 percent, while the increases in the independent agencies ranged from 0.1 to 10.5 percent. Twenty-nine independent agencies reported no hiring activity for the 30 Percent or More Disabled Veterans population.

Use of Special Hiring Authorities for Disabled Veterans

In addition to regulations governing veterans' preference in hiring and reductions in force, OPM encourages agencies to support our nation's eligible veterans by making direct appointments under the VRA and 30 Percent or More Disabled Veterans appointing authorities. Disabled veterans can also be appointed under special hiring authorities for persons with disabilities. While these appointing authorities are a convenient method of appointment, their use is discretionary. Figure 18, below, provides the percentage of veterans hired using special hiring authorities. Figure 19, page 22, provides the distribution of total VRA appointments across executive departments and independent agencies.

Figure 18.
Veterans Hired Using Special Appointing Authorities FY 1999 - FY 2003

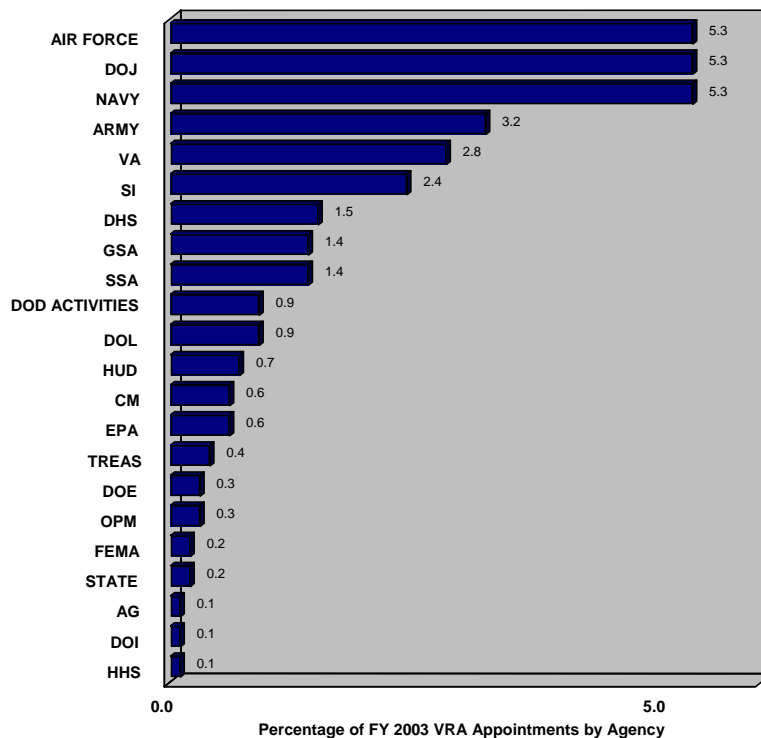


Source: U.S. Office of Personnel Management's Central Personnel Data File

In 1998, Congress enacted the Veterans Employment Opportunities Act (VEOA), which created a new hiring authority. A veteran selected under VEOA is given a career or career-conditional appointment. Since FY 1999, this authority has become one of the most frequently used methods of appointing veterans. For example, in FY 1999, there were 729 VEOA appointments. However, there were 10,860 VEOA appointments in FY 2003--up from 9,158 in FY 2002.

Of the 10,860 VEOA appointments made in FY 2003, 9,621 were new hires. The remainders of the appointments were converted from temporary appointments or other Federal appointments.

Figure 19.
VRA Appointments by Agency (Executive Departments and Independent Agencies)



Source: U.S. Office of Personnel Management's Central Personnel Data File

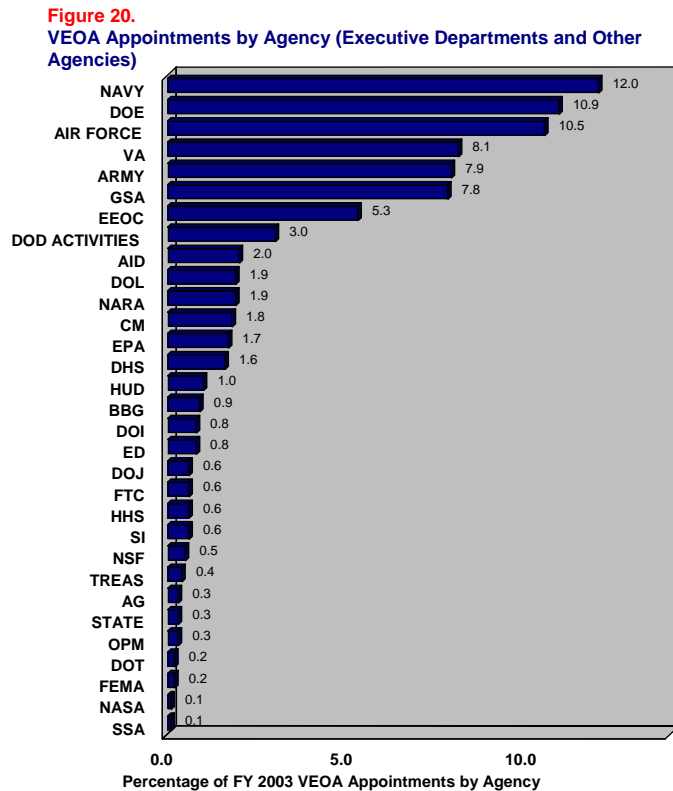
FY 2003 special appointing authorities' data for veterans:

- The use of VRA and the 30 Percent or More Disabled Veterans appointing authority accounted for 20.6 percent of all veteran new hires - a slight increase from FY 2002 (Figure 18, page 21).
- The actual number of veterans hired under these appointing authorities decreased to 9,409 during FY 2003 compared to 9,557 during the previous year (Figure 18).

VEOA Activity

Within the departments, Navy had the highest percentage of VEOA appointments, followed by DOE, Air Force, VA, Army, and DoD. The percentages for these agencies were 12.0 percent, 10.9 percent, 10.5 percent, 8.1 percent, 7.9 percent, and 3.0 percent, respectively (Figure 20, page 23).

During FY 2003, the use of VEOA appointments increased by 1,702. Overall, as a part of total veterans hired, VEOA appointments increased from 19.3 percent in FY 2002 to 23.8 percent in FY 2003.



Source: U.S. Office of Personnel Management's Central Personnel Data File

Among the independent agencies, GSA had the highest percentage of VEOA appointments, followed by EEOC, AID, DOL, NARA, EPA, and DHS (Figure 20). The percentages for these agencies were 7.8 percent, 5.3 percent, 2.0 percent, 1.9 percent, 1.9 percent, 1.7 percent, and 1.6 percent, respectively (Figure 20).

All Federal agencies (Postal and non-Postal) should consider making greater use of the special appointing authorities for hiring veterans, as well as retention incentives, to counteract the continuing decline in the overall number of veterans available for Federal employment.

VRA Activity

During FY 2003, the use of VRA appointments declined by 932. Overall, as a percentage of total veteran hires, VRA appointments declined from 14.3 percent in FY 2002 to 12.9 percent in FY 2003.

- Within the departments, use of the VRA appointing authority during FY 2003 was concentrated in DOJ, DoD, VA, and DHS. Within DOJ, VRA appointments represented 5.3 percent of the new hires made in FY 2003. Inside DoD, VRA

appointments represented 3.6 percent of the new hires made. At VA, the figure was 2.8 percent, while at DHS the figure was 1.5 percent (Figure 19, page 22).

- Among independent agencies, SI (2.4 percent), GSA (1.4 percent), and SSA (1.4 percent) reported the greatest use of the VRA appointing authority during FY 2003 (Figure 19, page 22).

Table 3.
VRA Appointments (New Hires and Conversions) by Grade Group by Agency
FY 2003

Agency	GSR 01-04	GSR-05-08	GSR-09-12	OTHER GRADES	TOTAL
				PAY PLANS	
Air Force	55	410	424	370	1,259
AG	1	32	14	1	48
ARMY	160	532	365	198	1,255
CM	0	8	14	0	22
DHS	2	183	57	9	251
DoD	11	67	78	27	183
DOE	0	1	0	2	3
DOI	6	18	4	10	38
DOJ	2	475	31	4	512
DOL	0	5	8	0	13
EPA	0	6	1	1	8
FEMA	0	0	2	1	3
GSA	0	12	3	1	16
HHS	0	4	3	0	7
HUD	0	1	4		5
NARA	0	0	1	0	1
NASA	0	0	2	0	2
NAVY	92	304	335	222	953
OPM	0	0	1	0	1
OTR	0	0	1	0	1
SI	3	12	0	0	15
SSA	5	69	14	0	88
STATE	0	2	9	1	12
SSS	0	1	0	0	1
TRANS	0	3	10	0	13
TREAS	30	19	17	2	68
IBWC	1	0	0	0	1
VA	231	515	88	291	1,125
TOTAL	599	2,679	1,486	1,140	5,904

As Table 3 (above) illustrates, there were 5,904 VRA appointments made during FY 2003 (599 at GSR 01-04; 2,679 at GSR 05-08; 1,486 at GSR 09-12; and 1,140 at other grades and pay plans). This was a decrease of 932 from 6,836 in FY 2002. This is the second decline in VRA hiring in the last two years. These appointments included 4,478 new hires, which represent 1.8 percent of all FY 2003 Federal new hires.

Of the 5,904 VRA appointments made during FY 2003, 1,476 of those appointed were entitled to disability compensation. Of that total, 173 were Vietnam and Vietnam-era veterans and 1,303 were other veterans entitled to disability compensation (Tables 4 and 5, page 25).

- Of employees serving under VRA appointments, 4,182 were converted to career or career-conditional appointments during FY 2003. Of these conversions, 87 were Vietnam-era veterans and 416 were other veterans entitled to injury compensation (Table 6, page 26).

Table 4.
VRA Appointments (New Hires and Conversions) - Vietnam Era Veterans Entitled to Disability Compensation By Agency and Grade Grouping - FY 2003

Agency	GSR 01-04	GSR-05-08	GSR-09-12	OTHER GRADES,	TOTAL
				PAY PLANS	
Air Force	4	15	29	7	55
ARMY	4	16	12	15	47
DHS	0	7	2	0	9
DoD	0	3	0	0	3
DOI	0	2	0	1	3
DOJ	0	6	1	0	7
DOL	0	1	2	0	3
NAVY	5	13	12	7	37
SSA	1	3	1	0	5
TREAS	4	0	0	0	4
TOTAL	18	66	59	30	173

Table 5.
VRA Appointments (New Hires and Conversions) of All Other Veterans Entitled to Disability Compensation By Agency and Grade Grouping - FY 2003

Agency	GSR 01-04	GSR-05-08	GSR-09-12	OTHER GRADES,	TOTAL
				PAY PLANS	
Air Force	16	69	78	43	206
AG	0	5	5	0	10
ARMY	44	115	90	47	296
CM	0	1	0	0	1
DHS	1	52	6	2	61
DoD	3	12	8	3	26
DOE	0	0	0	1	1
DOI	2	3	2	0	7
DOJ	1	53	5	0	59
DOL	0	2	1	0	3
EPA	0	1	0	0	1
GSA	0	3	0	0	3
HHS	0	1	1	0	2
NARA	0	0	1	0	1
NAVY	16	59	46	25	146
SI	2	0	0	0	2

SSS	0	1	0	0	1
SSA	0	12	3	0	15
STATE	0	0	4	0	4
TREAS	8	4	1	1	14
VA	106	199	36	103	444
TOTAL	199	592	287	225	1,303

Table 6.

Conversion of VRA Appointments to Career-Conditional Appointments: Vietnam and Vietnam Era Veterans Entitled to Disability Compensation and All Other Veterans

Agency	Total Conversions	Vietnam-Era Veterans	All Other Veterans
Air Force	893	26	867
AG	32	0	32
ARMY	951	29	922
CM	16	0	16
DoD	144	2	142
DOJ	271	1	270
DHS	129	3	126
DOI	28	2	26
NAVY	829	21	808
SSA	121	3	118
TREAS	48	0	48
VA	673	0	673
OTHERS	47	0	47
TOTAL	4182	87	4095

Promotion of Veterans in the Federal Non-Postal Workforce

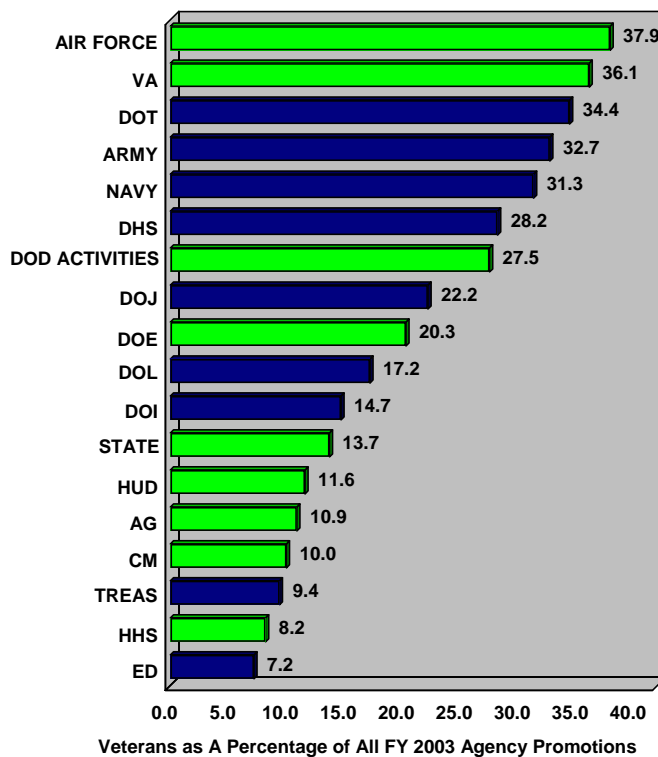
The total number of promotions in the Federal workforce decreased from 279,398 in FY 2002 to 263,907 in FY 2003³. This was a decline of 5.5 percent. Despite this overall decline, however, the percentage of veterans promoted relative to all promotions increased in relation to the previous year.

Figure 21, page 27, provides the percentage of promotions for veterans in executive departments, while Figure 22, page 28, provides that information for the independent agencies. Review of promotion data for FY 2003 reveals the following trends:

- Veterans comprised 22.9 percent (60,315) of all promotions. This was an increase of 0.9 percent from the promotion rate for veterans in FY 2002.
- The executive departments accounted for 89.9 percent of all promotions of veterans in FY 2003. VA had the highest percentage (36.1 percent), followed by DOT (34.4 percent), DoD (32.8 percent), DHS (28.2 percent), and DOJ (22.2 percent).

³Promotions include changes of an employee to a position at a higher-grade level within the same pay system or to a position with a higher rate of pay in a different pay system. The data exclude movement between agencies which results in a higher grade.

Figure 21.
Promotions of Veterans in Federal Executive Departments

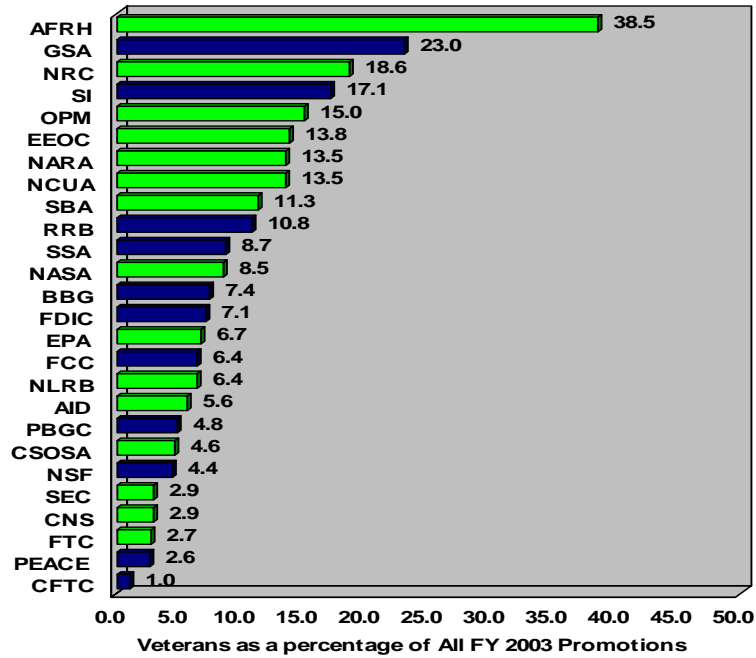


Source: U.S. Office of Personnel Management's Central Personnel Data File

Green - Green represents a higher percentage than the previous year.

- Nine executive departments showed an increase in promotions of veterans, with percentage increases ranging from 0.2 to 1.9. Fifteen independent agencies showed increases ranging from 0.1 percent to 20.7 percent.
- AFRH (38.5 percent), GSA (23.0 percent), and NRC (18.6 percent) were the three independent agencies with the highest promotion rates for veterans (Figure 22, page 28).

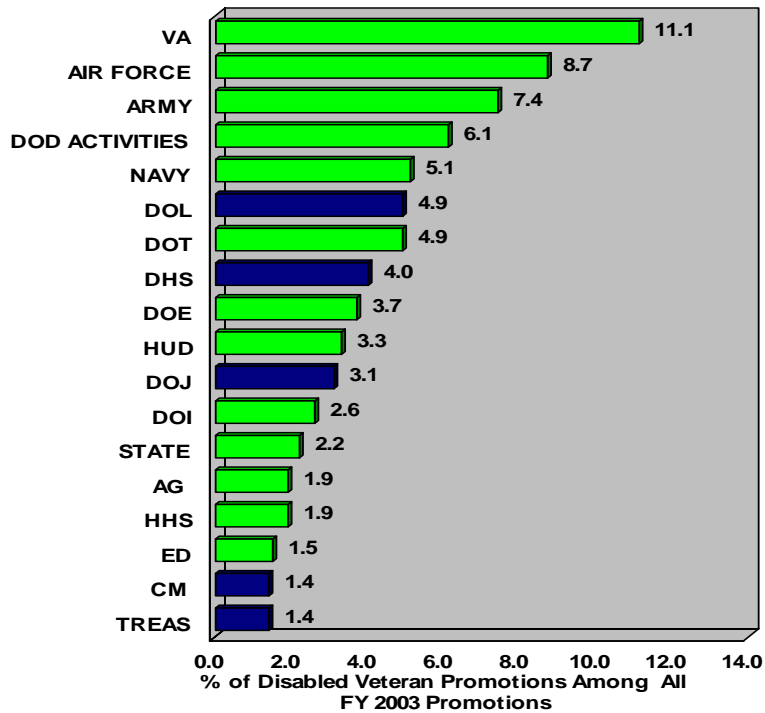
Figure 22.
Promotions for Veterans in Federal Independent Agencies (500+ Employees)



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green represents a higher percentage than the previous year.

Figure 23.
Promotions for Disabled Veterans in Federal Executive Departments



Source: U.S. Office of Personnel Management's Central Personnel Data File

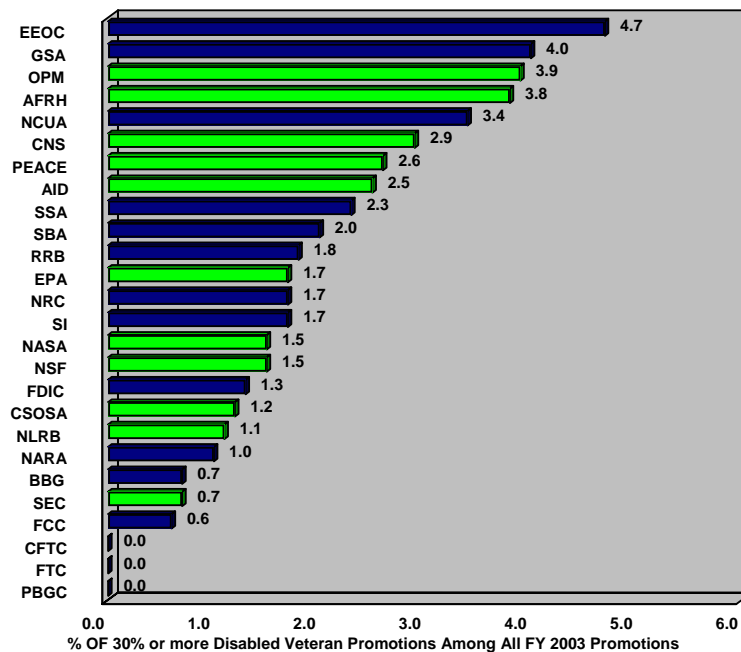
Green represents a higher percentage than the previous year.

Promotion of Disabled Veterans

Figure 23 (page 28) shows the percentage of promotions for disabled veterans in executive departments. Figure 24 (below) provides similar information for disabled veterans employed within the independent agencies.

- In FY 2003, the promotion of disabled veterans increased to 12,365, or 4.7 percent of all promotions, compared to 12,081 during FY 2002 (4.3 percent of all promotions). This was an increase of 2.4 percent. DoD and VA accounted for 68.7 percent (8,486) of all disabled veteran promotions.
- VA, DoD, DOL, and DOT were the executive departments with the highest percentages of disabled veteran promotions. The percentages ranged from 11.1 to 4.9 (Figure 23, page 28).
- The independent agencies with the highest percentages of disabled veteran promotions within their populations were EEOC, GSA, OPM, AFRH, and NCUA with percentages ranging from 4.7 to 3.4 (Figure 24).

Figure 24.
Promotions for Disabled Veterans in Federal Independent Agencies (500+ Employees)



Source: U.S. Office of Personnel Management's Central Personnel Data File

Green represents a higher percentage than the previous year.

- Thirteen executive departments showed increases in the promotion of disabled veterans, with percentage increases ranging from 0.1 to 0.6. Eleven independent agencies showed increases ranging from 0.2 percent to 2.9 percent.

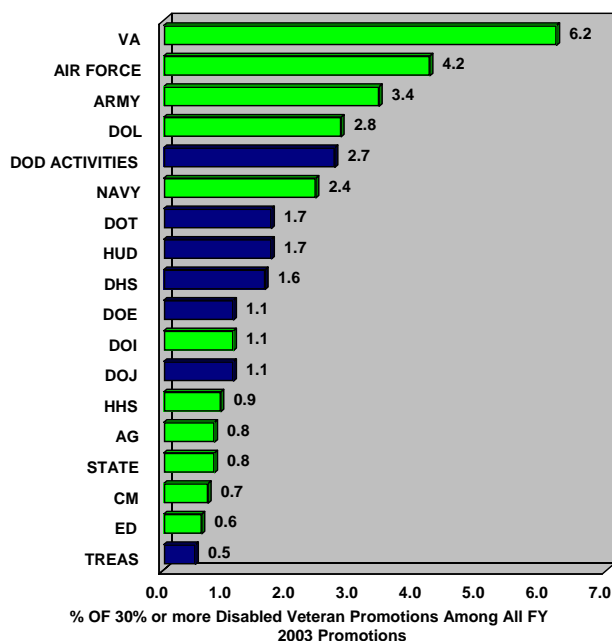
Promotion of 30 Percent or More Disabled Veterans

Figure 25, below, shows the percentage of promotions of 30 Percent or More Disabled Veterans in executive departments. Figure 26, page 31, provides the same data for the independent agencies.

In FY 2003, the promotion of 30 Percent or More Disabled Veterans increased to 5,790, or 2.2 percent of all Federal promotions, compared to 5,445 during FY 2002 (1.9 percent of all Federal promotions).

- DoD and VA made 4,243 (73.3 percent) promotions of 30 Percent or More Disabled Veterans. The departments with the highest percentages of promotions of 30 Percent or More Disabled Veterans were VA, Air Force, Army, and DOL, with percentages ranging from 2.8 to 6.2 (Figure 25).

Figure 25.
Promotions of 30 Percent or More Disabled Veterans in Federal Executive Departments

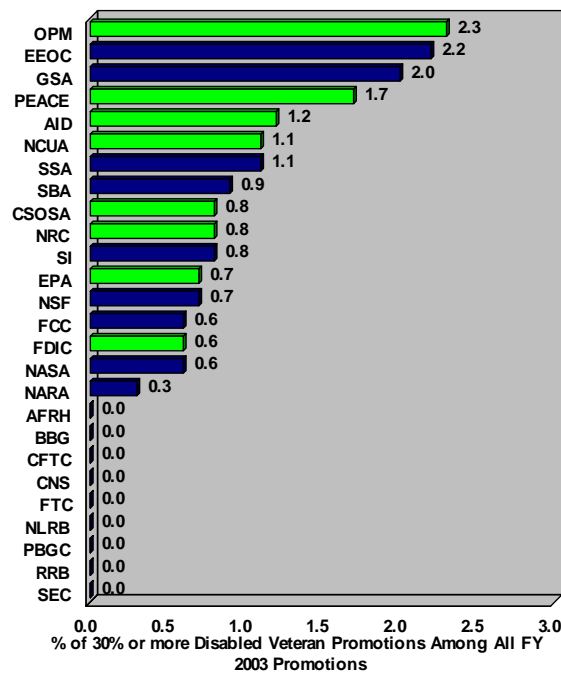


Source: U.S. Office of Personnel Management's Central Personnel Data File

■ - Green represents a higher percentage than the previous year.

- The independent agencies with the highest percentages of promotions of 30 Percent or More Disabled Veterans were OPM (2.3 percent), EEOC (2.2 percent), and GSA (2.0 percent) (Figure 26, page 31).
- Eleven executive departments showed an increase in the promotion rate for 30 Percent or More Disabled Veterans, with percentage increases ranging from 0.1 to 0.6. Eight independent agencies showed increases ranging from 0.1 percent to 1.2 percent.

Figure 26.
Promotions of 30 Percent or More Disabled Veterans
in Federal Independent Agencies (500+ Employees)



Retirements of Veterans in the Federal Non-Postal Workforce in FY 2003

The number of veterans in the U.S. decreased by 655,000⁴ during the year. Veterans 65 years and older accounted for 36.7 percent of the overall veteran population, down from 38.0 percent in the previous report. For FY 2003, the median age for veterans was 58 years, while the median age for female veterans was 45 years. As a result of the aging veteran population, the percentage of veterans in the CLF, as well as in the Federal workforce, continues to decline.

In the full-time permanent Federal workforce (as of September 2003), veterans averaged 50 years of age compared to 44 years for all Federal employees. Many veterans who are Federal employees are now eligible for retirement and are retiring at a higher rate than the general Federal workforce.

In FY 2003, 43.1 percent of all retirees from Federal service were veterans—though they represent only 25.0 percent of the Federal workforce. Also, 8.0 percent of all retirees were disabled veterans and 3.4 percent were 30 Percent or More Disabled Veterans. These two groups comprise 4.4 percent and 2.0 percent, respectively, of the Federal workforce.

⁴U.S. Department of Veterans Affairs, FY 2003 Performance and Accountability Report.

Separations of VRA Appointees

There were 1,210 separations of VRA appointees from Federal service during FY 2003 (928 quits; 186 separations for cause; 4 reductions in force; 20 “other” terminations; 49 retirements; and 23 deaths). Of the separations for cause and “other terminations,” 206 were agency initiated (Table 7, below). In addition, 308 of the individuals who were separated were entitled to disability compensation (28 Vietnam and Vietnam-era veterans and 280 non-Vietnam-era veterans) (Tables 8 and 9, page 33).

Table 7.

Separations of VRA Appointees By Agency

Agency	Quits	Separation for Cause	Reduction in Force	Other Terminations	Retirements	Deaths	Total
Air Force	144	15	1	1	2	3	166
AG	4	1	0	0	3	0	8
ARMY	254	42	2	6	3	3	310
CM	2	0	0	0	0	0	2
DHHS	0	1	0	0	0	0	1
DHS	4	7	0	0	0	0	11
DoD	28	2	1	2	0	1	34
DOI	8	2	0	3	3	1	17
DOJ	67	15	0	0	5	0	87
DOL	1	0	0	0	0	0	1
NARA	1	0	0	0	0	0	1
NAVY	122	28	0	3	0	4	157
SI	2	0	0	0	2	0	4
SSA	10	3	0	0	1	1	15
TRANS	1	0	0	0	0	0	1
TREAS	34	2	0	0	4	2	42
VA	246	68	0	5	26	8	353
TOTAL	928	186	4	20	49	23	1,210

Table 8.**Separations of VRA Appointees - Vietnam and Vietnam-Era Veterans Entitled to Disability Compensation – By Agency**

Agency	Quits	Separation for Cause	Reduction in Force	Other Terminations	Retirements	Deaths	Total
Air Force	5	0	0	0	1	0	6
ARMY	4	0	0	0	1	1	6
DoD	1	0	0	0	0	0	1
DOJ	1	0	0	0	3	0	4
DOI	1	0	0	0	1	1	3
NAVY	1	1	0	0	0	1	3
SSA	1	0	0	0	0	0	1
TREAS	2	0	0	0	1	1	4
TOTAL	16	1	0	0	7	4	28

Table 9.**Separations of VRA Appointees Other Than Those From the Vietnam-Era Who Are Entitled to Disability Compensation - By Agency**

Agency	Quits	Separation for Cause	Reduction in Force	Other Terminations	Retirements	Deaths	Total
Air Force	27	2	0	0	0	0	29
AG	0	0	0	0	1	0	1
ARMY	31	13	1	2	0	2	49
DHS	1	2	0	0	0	0	3
DoD	4	1	1	0	0	0	6
DOI	1	1	0	0	0	0	2
DOJ	6	4	0	0	0	0	10
NAVY	13	5	0	2	0	0	20
SSA	5	2	0	0	1	0	8
TRANS	1	0	0	0	0	0	1
TREAS	7	1	0	0	0	1	9
VA	93	28	0	2	16	3	142
TOTAL	189	59	2	6	18	6	280

Tennessee Valley Authority

Data from the Tennessee Valley Authority (TVA) indicate that veterans make up 24.1 percent of its workforce (Table 10, below). The representation of disabled veterans in the TVA declined by 2, or 0.7 percent, from FY 2002 to FY 2003. The overall decline was from 296 in FY 2002 to 294 in FY 2003.

Disabled veterans received 1.4 percent (9) of all TVA promotions in FY 2003. Veterans who are 30 Percent or More Disabled received 3, or 0.5 percent of promotions.

The TVA employs a slightly lower percentage of veterans than does the non-Postal Federal civilian workforce. It has a smaller employee population—and correspondingly a smaller number of veterans.

Veterans comprised 24.1 percent of the TVA's workforce compared to 25.0 percent of the non-Postal workforce (3,218 in the TVA workforce versus 449,009 in the non-Postal workforce).

Disabled veterans comprised 2.2 percent of the TVA's workforce, compared to 4.4 percent of the non-Postal workforce (294 in the TVA workforce versus 78,450 in the non-Postal workforce).

30 Percent or More Disabled Veterans comprised 0.7 of the TVA's workforce compared to 2.0 percent of the non-Postal workforce (91 in the TVA workforce versus 35,901 in the non-Postal workforce).

Table 10.
Employment of Veterans in the Tennessee Valley Authority - FY 2002 and FY 2003

	FY 2002	FY 2003	Difference	Percent Change
Total Workforce	13,444	13,379	-65	-0.48%
Veterans	3,458	3,218	-240	-6.94%
Percent of Total	25.72%	24.05%		
Disabled Veterans	296	294	-2	-0.68%
Percent of Total	2.20%	2.20%		
Percent of Veterans	8.56%	9.14%		
30%+ Disabled Veterans	98	91	-7	-7.14%
Percent of Total	0.73%	0.68%		
Percent of Veterans	2.83%	2.83%		
Percent of Disabled Veterans	33.11%	30.95%		

Source: Tennessee Valley Authority

U.S. Postal Service

Veterans make up 28.9 percent of U.S. Postal Service's workforce (Table 11, below). The representation of disabled veterans in the Postal Service declined by 3,846, or 5.2 percent, from FY 2002 to FY 2003. The decline was from 73,899 in FY 2002 to 70,053 in FY 2003.

Disabled veterans received 9.7 percent (2,450) of all Postal Service promotions in FY 2003, compared to 10.5 percent (2,779) during FY 2002. Veterans who are 30 percent or more disabled received 679, or 2.7 percent, of FY 2003 promotions. This is down from 2.8 percent in FY 2002.

The Postal Service employs a higher percentage of veterans than does the non-Postal Federal civilian workforce, even though it has a smaller employee population.

Veterans comprised 28.9 percent (210,887) and 25.0 percent (449,009) of the Postal Service and non-Postal service workforce respectively.

Disabled veterans also comprised 9.6 percent of the Postal Service's workforce compared to 4.4 percent of the non-Postal workforce (70,053 in the Postal workforce versus 78,450 in the non-Postal workforce).

Finally, 30 Percent or More Disabled Veterans comprised 2.4 percent of the Postal Service's workforce compared to 2.0 percent of the non-Postal workforce (17,839 versus 35,901, respectively).

Table 11.

Employment of Veterans in the U.S. Postal Service - FY 2001 to FY 2003

	FY 2001	FY 2002	Difference	Percent Change	FY 2003	Difference	Percent Change
Total Workforce	774,675	751,980	-22,695	-2.93%	729,646	-22,334	-2.97%
Veterans							
Percent of Total	30.46%	29.76%			28.90%		
Disabled Veterans	77,521	73,899	-3,622	-4.67%	70,053	-3,846	-5.20%
Percent of Total	10.00%	9.83%			9.60%		
Percent of Veterans	32.85%	33.02%			33.22%		
30%+ Disabled Veterans	19,183	18,529	-654	-3.41%	17,839	-690	-3.72%
Percent of Total	2.48%	2.46%			2.44%		
Percent of Veterans	8.10%	8.28%			8.46%		
Percent of Disabled Veterans	24.75%	25.07%			25.47%		

Source: U.S. Postal Service

Agency Highlights

In FY 2003, agencies engaged in various activities in support of the recruitment, training, and advancement of disabled and other veterans. OPM carefully reviews agency Disabled Veterans Affirmative Action Plan (DVAAP) submissions for best practices yielding positive results which can be shared with other agencies. We found the following notable activities described in this year's agency submissions and encourage agencies to consider using them to further develop their DVAAP programs. The initiatives listed below are divided into Recruitment, Training, and Career Advancement.

Several agencies described innovative recruitment programs, and they will be listed below. Some agencies provided useful training for veterans and disabled veterans. We will discuss them as well. While statistics show that veterans and disabled veterans are promoted at rates equal to or greater than the non-veteran population, agencies appear to have placed less emphasis on the career advancement of veterans than they did in recruiting and training them. The fact that veterans are promoted at equal or greater rates than others in the Federal civilian workforce is a testament to the quality of the veterans hired.

Recruitment

In OPM's Governmentwide recruitment initiatives in FY 2003, through our newly created Veteran Invitational Program, we visited military transition assistance program offices to educate and inform military personnel transitioning to civilian life on careers with the Federal government and we continued to partner with veteran service organizations to increase veterans' knowledge of employment opportunities and the employment preferences they receive. This work increased further during FY 2004, as OPM's nationwide recruitment fairs highlighted the government's many career opportunities. Such efforts, combined with our partnership with veteran service organizations, should generate positive results for increased veterans' employment. We expect the results of our hard work to be realized and outlined in subsequent reports.

OPM encourages agencies to go beyond issuing vacancy announcements as the sole recruitment method and to develop recruitment strategies to attract veterans and disabled veterans (e.g., collaborate with veterans' organizations and State vocational rehabilitation centers). Here are some agency practices worth mentioning.

The **Defense Contract Management Agency (DCMA)** is registered with the Employer Assistance Referral Network (EARN), which is funded by the Office of Disability Employment Policy, Department of Labor (DOL). EARN will send vacancy information to its Employer Service Providers (ESP), who will screen for qualified candidates based on vacancy announcement requirements. When qualified candidates are found, ESP will notify EARN, which will notify DCMA.

The **Defense Intelligence Agency** makes a special effort at job fairs to employ veterans and disabled veterans with the specialized skills they require. It also maintains a

relationship with the Veterans Administration (VA), the Center for Disabled Veterans, and the Vocational Rehabilitation and Employment Service Administration. These associations have also yielded veteran hires.

One of the **Environmental Protection Agency's (EPA)** regions emphasizes participation in job fairs aimed at recruiting veterans and disabled veterans. Another region works closely with State vocational rehabilitation services and veterans organizations. EPA uses *EZHire*, an electronic recruiting system, to expand the consideration sources for their vacancies. One of its regions uses *EZHire* to place persons eligible for VRA and/or the appointing authority for 30 Percent or More Disabled Veterans in a "resume database" for a period of 6 months. Registrants are notified when future vacancies are advertised through the *EZHire* system.

The **Department of Housing and Urban Development (HUD)** continued to operate HUDVET, a central resource point for HUD's veteran employees and for those veterans who are not employed by HUD. The center provides information about housing, veterans' benefits, and Federal employment. HUD also maintains working relationships with State rehabilitation services, Department of Labor's Veterans Employment Service, VA, and national veterans' employment organizations in an effort to attract veterans.

The **Department of Labor (DOL)** maintains working relationships with State rehabilitation services. In addition, it maintains the Veterans' Employment and Training Service (VETS) and participates in local and national workshops, conferences, and job fairs in an effort to recruit veterans. It uses its system, the Centralized Office for Assistive Services and Technology (COAST), as a one-stop point of contact for providing information to employees with disabilities.

The **National Credit Union Administration**, in an effort to attract veterans, placed a national ad about their career opportunities in *Veterans Enterprise Magazine*.

The **National Endowment for the Humanities** routinely notifies Vietnam Veterans of America, the Disabled American Veterans, the Veterans' Employment Service, and VA of employment opportunities within their organization.

The **Department of Veterans Affairs (VA)** uses a number of veterans outreach services. At its Mid-Atlantic Health Care Networks, it provides recently discharged veterans with letters thanking them for their service to the nation and inviting them to seek employment with VA. Within its Central Office, the staff visited military bases and attended job fairs to provide counseling and employment information to military personnel and veterans. Other offices within VA maintained contacts with veterans' organizations in order to increase VA's veterans' employment outreach profile.

The **Federal Aviation Administration (FAA), Department of Transportation (DOT)**, provided technical and professional training to veterans who were not employed by DOT. As a result, FAA hired 17 veterans as Air Traffic Controllers under the VRA program.

Other DOT administrations attended job fairs and maintained contacts with state vocational rehabilitation offices, VA, etc., to attract veterans.

The **U.S. Department of Agriculture (USDA)** is in the middle of a 5-year hiring plan designed to improve its representation of veterans and disabled veterans. In addition to publicizing the hiring plan to managers and supervisors, USDA has advertised in publications that target the disabled. It has also printed material discussing employment opportunities at USDA for use at job fairs and conferences. In addition, it has maintained contacts at veterans' employment centers to explore the hiring of recently discharged service personnel under the VRA program.

The **Tennessee Valley Authority** informs managers and supervisors before selections are made that eligible disabled veterans have applied and should be considered.

The **U.S. Postal Service (USPS)** performed on-site reviews of the progress of the disabled veterans programs in 30 of its districts.

The **U.S. Office of Personnel Management (OPM)** maintains a referral file of disabled veterans and refers persons from this file to supervisors for filling certain vacancies. It also maintains a list of recruitment sources for disabled veterans, and focuses on numerous veterans organizations, including State and local employment service organizations, alerting them to employment opportunities within the agency. In addition, it advertises some of its vacancies in newspapers and magazines and on the radio.

Training

Agencies are required to develop education and training programs that strike a balance between the needs of the agencies and the aspirations of veterans. To meet this requirement, agencies are using a variety of developmental training and education initiatives. These programs consisted of: planned on-the-job training, temporary promotions, cross-divisional training and job reassignments, off-site classroom training, topic-specific counseling (e.g., resume writing), and training for managers and supervisors pertaining to job restructuring to help qualified disabled veterans meet job requirements. Agencies may use any combination of these development programs and initiatives in order to help veterans advance. Here are some specific agency procedures:

The **DOL** maintains the Centralized Office for Assistive Services and Technology (COAST). DOL provides training and information sessions on disability and accommodations issues. COAST is also used to operate a support contract for disabilities services.

The **DCMA (East)** provided a variety of short-term training programs aimed at disabled veterans as well as minorities and women.

The **Federal Maritime Administration** provided specialized training to veterans as their individual needs dictated.

The **OPM** hosted several one-day training sessions for disabled veterans, managers, and supervisors to educate them regarding the computer/electronic accommodations equipment available to assist persons with disabilities. Disabled veterans were encouraged to continue their education and professional development through the many training sources available within OPM.

Many agencies provide training to veterans and disabled veterans based on their annual Individual Development Plans when the plans reveal the need for specific training.

Career Advancement

Several agencies demonstrated commendably high promotion rates for disabled veterans, including those who are rated as 30 Percent or More Disabled. See Figures 23 through 26, pages 28 through 31.

While career advancement is an integral part of any agency's veterans' employment program, agencies have a difficult time balancing management's needs for highly skilled workers against their desire to maintain or increase their veterans' employment profiles. Competitive promotions are awarded to the best-qualified candidates.

Among the procedures that can be used are: providing career counseling and specialized training to veterans upon request; informing managers and supervisors that veterans and disabled veterans are among the candidates for their internal staffing opportunities and asking them to consider them when they fill their positions; and selecting veterans and disabled veterans for upward mobility, intern, executive development, and other career development programs.

The high promotion rate for veterans and disabled veterans within the Federal workforce demonstrates the commitment of the Government to provide incomparable employment opportunities for those who have served this country while in uniform.

List of Agencies Required to Submit DVAAP Accomplishments and Plan Certificates to OPM

AGENCY	ABBREVIATION
Agency for International Development	AID
Agriculture, Department of	AG
Air Force, Department of the	AIR FORCE
American Battle Monuments Commission	ABMC
Appalachian Regional Commission	ARC
Armed Forces Retirement Home (includes U.S. Soldier's and Airmen's Home)	AFRH
Army, Department of the	ARMY
Broadcasting Board of Governors (parts of USIA not absorbed by State Dept.)	BBG
Central Intelligence Agency (asserts exemption for security reasons)	CIA
Commerce, Department of	CM
Commission on Civil Rights, U.S.	CCR
Commodity Futures Trading Commission	CFTC
Consumer Product Safety Commission	CPSC
Corporation for National Service	CNS
Court Services and Offender Supervision Agency	CSOSA
Defense, Department of (Office of the Secretary)	DoD HQ
Defense Contract Audit Agency	DCAA
Defense Contract Management Agency	DCMA
Defense Finance and Accounting Service	DFAS
Defense Information Systems Agency	DISA
Defense Inspector General	DIG
Defense Intelligence Agency	DIA
Defense Logistics Agency	DLA
Defense Security Service	DSS
Defense Threat Reduction Agency	DTRA
Defense Education Activity	DoDEA
DoD, Uniformed Services University of the Health Sciences	USUHS
Education, Department of	OED
Energy, Department of	DOE
Environmental Protection Agency	EPA
Equal Employment Opportunity Commission	EEOC
Executive Office of the President	EXEC
Export-Import Bank of the U.S.	EX-IM
Farm Credit Administration	FCA
Federal Communications Commission	FCC
Federal Deposit Insurance Corporation	FDIC
Federal Election Commission	FEC
Federal Labor Relations Authority	FLRA
Federal Maritime Commission	FMC
Federal Mediation and Conciliation Service	FMCS
Federal Mine Safety and Health Review Commission (HR ops contracted to the TREAS)	FMSHRC

Federal Trade Commission	FTC
General Services Administration	GSA
Health and Human Services, Department of	HHS
Homeland Security, Department of	DHS
Housing and Urban Development, Department of	HUD
Inter-American Foundation	IAF
Interior, Department of the	DOI
International Boundary and Water Commission	IBWC
International Trade Commission	ITC
Justice, Department of	DOJ
Labor, Department of	DOL
Merit Systems Protection Board	MSPB
National Aeronautics and Space Administration	NASA
National Archives and Records Administration	NARA
National Capital Planning Commission	NCPC
National Credit Union Administration	NCUA
National Endowment for the Arts	NEA
National Endowment for the Humanities	NEH
National Gallery of Art	NGA
National Imagery and Mapping Agency	NIMA
National Labor Relations Board	NLRB
National Mediation Board	NMB
National Science Foundation	NSF
National Transportation Safety Board	NTSB
Navy, Department of the	NAVY
Nuclear Regulatory Commission	NRC
Occupational Safety and Health Review Commission	OSHRC
Office of Personnel Management	OPM
Office of Special Counsel	OSC
Office of Trade Representative	OTR
Overseas Private Investment Corporation	OPIC
Peace Corps	PEACE
Pension Benefit Guaranty Corporation	PBGC
Postal Rate Commission	PRC
Postal Service, U.S.	USPS
Railroad Retirement Board	RRB
Securities and Exchange Commission	SEC
Selective Service System	SSS
Small Business Administration	SBA
Smithsonian Institution	SI
Social Security Administration	SSA
State, Department of	STATE
Tennessee Valley Authority	TVA
Transportation, Department of	DOT
Treasury, Department of the	TREAS
Veterans Affairs, Department of	VA

Glossary of Terms

Competitive Service. For the purpose of this report, the competitive service consists of all civil service positions in the executive branch except, (a) positions that are specifically excepted by statute; (b) positions to which appointments are made by nomination from the President for confirmation by the Senate, unless the Senate otherwise directs; and (c) positions in the Senior Executive Service.

Conversions. Change from one appointment to another appointment in the same agency without a break in service.

CPDF. The Central Personnel Data File (CPDF) is the automated Federal civilian database maintained by the U.S. Office of Personnel Management.

Disabled Veterans (30 percent or more) Hiring Authority. Pursuant to 5 U.S.C. 3112, a hiring authority used to hire veterans with a compensable service-connected 30 percent or more disability.

DVAAP. The Disabled Veterans Affirmative Action Program (DVAAP).

Executive Branch. For the purpose of this report, the executive branch includes all executive branch agencies with the exception of the USPS, Postal Rate Commission, Central Intelligence Agency, National Security Agency, Tennessee Valley Authority, White House Office, Office of the Vice President, Board of Governors of the Federal Reserve Board, and Defense Intelligence Agency.

Excepted Service. Those civil service positions which are not in the competitive service or the Senior Executive Service (5 U.S.C. 2103).

Federal Civilian Workforce (FCW). The FCW covers permanent, part-time and full-time employment in the General Schedule and related pay plans, prevailing rate wage systems, and the Senior Executive Service.

Full-Time. Employees who are regularly scheduled to work the number of hours and days required by the administrative work week for their employment group or class, usually a five-day work week at eight hours per day.

Full-Time Permanent (FTP). Full-time employees serving under permanent appointments.

General Schedule (GS). The basic compensation schedule for most Federal civilian white-collar employees.

GS and Related (GSR). The GS and any other related pay systems that follow the grade structure of the GS or whose grade structure can be equated to GS grades by level of work responsibility.

Grade. An indicator of hierarchical relationships among positions covered by the same pay plan. For example, GS grades range from 1 to 15.

Part-time Employees. Employees who are regularly scheduled to work 32 or fewer hours per week.

Permanent Employees. Employees who are serving under appointments without time limits.

Senior Pay Level. Senior pay level employment includes employees in the Senior Executive Service, Senior Foreign Service, and other employees earning salaries above that of grade 15 of the General Schedule.

Temporary. Employees who serve in short-term positions that are not expected to exceed 1 year.

Veterans' Preference. An employee's entitlement to statutory types of preference in the Federal service based on certain active military service.

Veterans Recruitment Appointment. A type of appointment provided to qualified covered veterans in accordance with the provisions of 38 U.S.C. 4214.

Vietnam-Era Veterans. Veterans who served during the Vietnam era, which was August 5, 1964, to May 7, 1975.