



**Annual Congressional Report
Fiscal Year 2011**



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THE ANNUAL CONGRESSIONAL REPORT
A Summary of National Academy of Public Administration
Studies, Projects, and Activities
October 1, 2010 – September 30, 2011

The National Academy of Public Administration's (the Academy) Congressional Charter (Public Law 98-257, Sec. 3) assigns the following responsibilities to the organization:

- (1) Evaluating the structure, administration, operation, and program performance of Federal and other governments and government agencies, anticipating, identifying and analyzing significant problems and suggesting timely corrective action;
- (2) Foreseeing and examining critical emerging issues in governance, formulating practical approaches to their resolution;
- (3) Assessing the effectiveness, structure, administration, and implications for governance of present or proposed public programs, policies, and processes, recommending specific changes;
- (4) Advising on the relationship of Federal, State, regional, and local governments; increasing public officials', citizens', and scholars' understanding of requirements and opportunities for sound governance and how these can be effectively met; and
- (5) Demonstrating by the conduct of its affairs a commitment to the highest professional standards of ethics and scholarship.

The Congressional Charter also gives the Academy a particularly important responsibility with respect to the Federal government, stipulating that the Academy "shall, whenever called upon by Congress, or the Federal government, investigate, examine, experiment, and report upon any subject of government..." Accordingly, Congress often tasks the Academy to study, assess and recommend solutions to critical issues in government. The Academy exists to help governments serve the public better and achieve excellence.

WHO WE ARE

The National Academy of Public Administration (the Academy) is an independent, non-profit, and non-partisan organization established in 1967 to assist government leaders in building more effective, efficient, accountable, and transparent organizations. Chartered by Congress to provide non-partisan expert advice, the Academy's unique feature is its over 700 Fellows—including former cabinet officers, Members of Congress, governors, mayors, and state legislators, as well as prominent scholars, business executives, and public administrators. The Academy helps the federal government address its critical management challenges through in-depth studies and analyses, advisory services and technical assistance, Congressional testimony, forums and conferences, and online stakeholder engagement.

WHAT WE DO

Much of the Academy's work is requested by Congress or government agencies that seek assistance with complex management challenges. Working with the client, the Academy develops a scope of work and draws from its pool of Fellows to form a Panel with experience tailored to the client's needs. The Panel oversees the project, providing the high-level expertise and broad experience that clients seek. Academy study teams support the work of the Panel with quality research and analysis. In Fiscal Year 2011, Academy Panels completed studies that:

- Provided the Department of Defense with independent review, verification, and validation services for Defense Civilian Intelligence Personnel System plans, policies, strategies, and tools, as well as improved change management and communications plans.
- Addressed practical questions of organizational capacity, management strategy, and implementation challenges related to improving the Department of Veterans Affairs service to veterans, including those returning from Iraq and Afghanistan.
- Partnered with the Amtrak Office of Inspector General Senior Leadership to develop Implementation Roadmaps for organizational change and operational improvements.
- Served as an independent third-party to evaluate the effectiveness, impact, and other aspects of the Stolen Assets Recovery Initiative (StAR) initiative to inform the World Bank Group (WBG) and the United Nations Office on Drugs and Crime (UNODC) decision-making and policy.
- Partnered on an online dialogue to examine ideas and leading practices for integrating health, safety, energy efficiency and weatherization interventions in low to moderate-income homes.
- Conducted a validation review of fourteen public management training courses being used by the Iraqi Civil Service.

The Academy also began additional studies during Fiscal Year 2011 for the Department of Defense, Federal Emergency Management Agency, and the Recovery, Accountability, and Transparency Board. In addition to client-driven work, the Academy receives some additional support from foundation grants and support from other organizations committed to good government as well as charitable gifts to develop reports, convene forums and conferences, and design creative approaches for civic engagement in order to tackle some of the nation's biggest challenges. Most often, these issues cannot be resolved by a single government agency, a single level of government or even by the public sector alone. Instead, they require interdepartmental, intergovernmental or networked solutions. The Academy work products include:

- Organizational assessments and strategy development
- Implementation support and technical assistance
- Performance measurements
- Stakeholder outreach and collaboration

ACADEMY STUDIES

The Academy completed the following projects and activities during Fiscal Year 2011 (October 1, 2010 to September 30, 2011). Reports for completed studies can be accessed at www.napawash.org.

U.S. Department of Energy: Office of Health, Safety, and Security

A Worker Dialogue: Improving Health, Safety and Security at the U.S. Department of Energy

DOE partnered with the Academy in 2010 to host an online discussion to gain workers' first-hand knowledge, experience, and expertise on several topics of interest to both HSS and labor union representatives. These topics included: worker safety training, the implementation of DOE's Worker Safety and Health Program (10 CFR 851, also known as the 851 Rule), and knowledge transfer for the next generation of workers. This internet-based discussion, entitled *A Worker Dialogue: Improving Health, Safety, and Security at the Department of Energy*, allowed participants to submit ideas in response to open-ended discussion questions and refine them in open conversation by rating and commenting on one another's suggestions.

Report: *A Worker Dialogue: Improving Health, Safety and Security at the U.S. Department of Energy (November 2010)*

World Bank

Stolen Assets Recovery Initiative

The World Bank engaged the Academy as an independent third-party to evaluate the effectiveness, impact, and other aspects of the Stolen Assets Recovery Initiative (StAR) initiative and to inform the World Bank Group and the United Nations Office on Drugs and Crime on StAR's continuation, strategic direction and implementation arrangements. To this end, the National Academy of Public Administration was asked to:

- Determine the results of the StAR initiative to date;
- Assess the relevance, effectiveness, and efficiency of the StAR initiative and its work program in aggregate and by program component;
- Highlight both positive and negative lessons learned, and identify those factors that have impacted positively and negatively on the performance of the StAR initiative; and
- Provide findings, conclusions and recommendations that can be used to inform decision making and strengthen the design of any follow-up phase.

Report: *External Review of the Stolen Assets Recovery Initiative (December 2010)*.

U.S. Agency for International Development and Management Systems International, Inc. Iraq Civil Services Curriculum

Under a subcontract with MSI funded by the U.S. Agency for International Development (USAID), the Academy worked for several years to increase Iraq’s capacity to educate and train its civil servants.

In 2010, the Academy conducted a validation review of fourteen public management training courses being used by Iraq. The Academy’s rigorous validation process assessed the quality of courses on eighteen separate standards across three major areas. In January 2011, the Academy participated in the *Tatweer* close-out conference in Baghdad with Iraqi, USAID, and MSI officials. Academy Fellow Myra Shiplett presented a validation certificate identifying each of the 11 courses that qualified for validation:

- Budget and Financial Management—Competency and Advanced Levels
- Human Resources—Competency and Advanced Levels
- Information Technology—Competency and Advanced Level
- Leadership and Communications—Competency and Advanced Levels
- Procurement—Competency and Advanced Levels
- Project Management—Competency Level

The project culminated with the Academy presenting validation certificates for courses at a conference held in Baghdad (January 2011).

Amtrak Office of Inspector General Organizational Assessment Phase II: Implementation Roadmap Development

The Amtrak Office of Inspector General (OIG) engaged the Academy to conduct an organizational assessment examining the internal operations of the OIG office. This organizational assessment recommended actions to improve OIG processes, policies, and management practices to help the office achieve the goals outlined in its five-year strategic plan.

As part of Phase II, the Academy partnered with OIG senior leadership to assist in developing Implementation Roadmaps for organizational change and operational improvements that were identified as critical in Phase I of the organizational assessment.

The findings of the Organizational Assessment acknowledged that there were many elements that needed to be considered as the OIG moves toward its desired future state.

Report: *Amtrak Office of Inspector General Organizational Assessment Phase II: Implementation Roadmap Development (March 2011)*.

Green and Healthy Homes Initiative

The National Dialogue on Green and Healthy Homes

The Green and Healthy Homes Initiative (GHHI) and the Academy partnered on an online dialogue to examine ideas and leading practices for integrating health, safety, energy efficiency, and weatherization interventions in low to moderate-income homes. The purpose of this dialogue was to identify ways to overcome the barriers that prevent children, families, and communities from having healthy, safe, and energy efficient housing. Over the course of its two-and-a-half week duration, the dialogue website received more than 2,500 visits from over 1,100 people in 48 states and territories. Following review of feedback received in the dialogue, the Academy Panel made several recommendations to increase the health, safety, and energy efficiency of homes across the country in conjunction with ongoing efforts.

Report: *Achieving Green and Healthy Homes in America (March 2011)*.

Department of Defense (DoD)

Review of the Defense Civilian Intelligence Personnel System—Phase II

The FY 2010 National Defense Authorization Act (NDAA) directed that an independent organization conduct a review of DCIPS to assess its design and implementation, as well as its impact on diversity and career progression. The Academy was selected to conduct the review, and the Academy Panel issued its report on June 1, 2010. The Panel concluded that DCIPS' design was fundamentally sound; its implementation had been flawed; and it was too soon to determine its impact. The Panel's overall recommendation was that DoD should proceed with DCIPS' implementation using a phased approach tied to a readiness-based assessment of each DoD intelligence component. Additionally, the Panel offered a number of recommendations to strengthen DCIPS' design and to address problems with its implementation.

The Secretary of Defense decided it was not in the best interest of the Department to proceed with implementation of the performance-based compensation elements of DCIPS (affecting base pay) beyond the National Geospatial-Intelligence Agency. Instead, the Secretary authorized an action plan that requires implementing the Panel's recommendations to improve other core elements of DCIPS: a common occupational structure, the performance management system, and an improved reward system that links bonuses to performance.

To implement the Secretary's Action Plan, the Office of the Under Secretary of Defense for Intelligence decided to exercise the option for Phase II of the DCIPS Review to support the continuing evolution of DCIPS. This second phase of work allowed the Academy to continue its review of DCIPS' design and implementation by providing

independent review, verification, and validation services for DCIPS plans, policies, strategies, and tools, as well as its improved change management and communications plans. In addition to assessing the analytic approach used to assess the results of the DCIPS survey and the bonus payouts resulting from the first DCIPS payout, the Phase II review focused on the following areas: governing DCIPS policies, change management and communications, performance management, modified compensation structure, equity analysis, and DCIPS performance measures.

Report: *Department of Defense: Defense Civilian Intelligence Personnel System Review Phase II (June 2011)*.

Department of Veterans Affairs: Analysis of Veterans Health Administration Non-VA Fee Care Program

In March 2011, the U.S. Department of Veterans Affairs (VA) contracted with the Academy to review of the Veterans Health Administration's (VHA) Fee Care Program after the Department's Inspector General identified problems with inaccurate payments and inefficient claims processing by the program. Although VHA provides most of its medical services to veterans within its healthcare system, Fee Care pays for veterans to go outside of the VA system when a VA medical center cannot provide a clinical service, when a veteran does not have a VA healthcare facility that is geographically accessible, or in emergencies. Over the past decade, this program has grown significantly to become a critical element of veterans' clinical care delivery. With projected expenditures of \$5.1 billion in FY 2012, the Fee Care program will constitute nearly 10 percent of VA's veteran healthcare budget.

The Academy Panel found that the corporate management of the Fee Care Program has improved significantly over the last several years. However, the program continues to face major challenges, including VA having a limited understanding of the quality of services procured through the program and their costs; erroneous payments at unacceptably high levels; error rates greater than comparable federal programs; and program productivity varying widely across operating sites. Based on the findings outlined in a White Paper, the Panel recommended that VHA consolidate its Fee Care Program from the more than 100 claims processing locations to no more than 3 to 5 strategically located regional sites; senior VA officials should provide clearer policy direction about performance goals and expectations for purchased care; and VHA should procure and implement an enterprise-wide technology solution that would reduce errors and increase efficiency.

Report: *Veterans Health Administration Fee Care Program White Paper (September 2011)*.

On occasion, the Academy is asked to provide advice and consultation to government executives. The Academy assisted the following agencies with these services:

Federal Bureau of Investigation
Protecting Against Supply Chain Corruption

At the request of the Federal Bureau of Investigation (FBI) Director's Advisory Board (Board), FBI Director Mueller tasked the Assistant Director of the Finance Division to investigate how other federal agencies protect against supply chain corruption. The Board specifically recommended that the FBI look closely at the procedures used by the Central Intelligence Agency, a government agency with a reputation for doing this particularly well. The Board's overarching recommendation was to consider implementing measures or processes that "obscure the purchase." To this end, the Assistant Director requested that the Academy provide a white paper comparing the FBI's procedures with those of the CIA and another government agency.

The Academy produced a white paper examining the procedures currently used by the FBI in procuring information technology hardware and software, communications equipment, and other electronic equipment and their effectiveness in managing and mitigating the risk of supply chain corruption. It also compares the FBI's procedures and their effectiveness against those used by the CIA and the National Geospatial Intelligence Agency. In addition, the Academy recommended steps the FBI can take to improve and strengthen its procedures for protecting against supply chain corruption.

An internal guidance paper containing the findings and recommendations was provided to the FBI in October 2010.

Department of Defense Panel on Contracting Integrity (DoD Panel)
Research Support for DoD Review of Post-Employment Restrictions

The FY 2010 National Defense Authorization Act mandated that the Department of Defense Panel on Contracting Integrity (DoD Panel) review policies relating to post-employment restrictions on former DoD personnel. The Act also directed DoD to engage the Academy in assessing the findings and recommendations of its review. The Academy team worked closely with DoD to identify the best ways to supplement the DoD staff's own research within a limited period of time.

The Academy's research summarized broad themes and ideas from the interviews and focus groups and incorporated guidance from expert sources. The report only presented observations based on the Academy's research and did not make recommendations or advocate any of the positions presented. The report concluded by identifying areas that DoD may wish to consider further, either as part of the DoD Panel's work or in the future.

The Academy presented its research in a briefing with DoD entitled, Research Support for Department of Defense Review of Post-Employment Restrictions (November 2010).

Federal Bureau of Investigation (FBI)

Comparison of FBI and other Federal Agency Field Financial Operations

The Academy assisted the FBI with a study comparing the results of an earlier Academy FBI Financial Management review with the field financial operations of six other federal agencies. This comparison study was intended to provide the FBI Chief Financial Officer (CFO), as he embarked on enhancing and restructuring the FBI's Financial Management Program and its operations, with information on different agency approaches to financial management in federal field networks.

The purpose of this study was to catalogue and compare the different ways of carrying out financial functions. It does not recommend particular actions to the FBI or its CFO. Instead, based on the Academy's initial study and its long-standing relationship with the FBI Finance Department, this study offers observations in areas the Academy considers particularly relevant to the FBI.

An internal guidance paper containing the findings and recommendations was provided to the FBI in December 2010.

ACADEMY STUDIES BEGINNING IN FISCAL YEAR 2011

The Academy began work on the following projects and activities during Fiscal Year 2011, which plan to be completed in Fiscal Year 2012. Reports for completed and ongoing studies can be accessed at www.napawash.org.

Federal Emergency Management Agency

Improving the National Preparedness System: Developing More Meaningful Grant Performance Measures

Congress requested that the National Academy of Public Administration (the Academy) assist the FEMA Administrator in studying, developing, and implementing quantifiable performance measures and metrics to assess the effectiveness of the State Homeland Security Grant Program (SHSGP) and Urban Areas Security Initiative (UASI). The purpose of the Academy's nine and one-half-month independent assessment was to (1) develop three to seven quantitative effectiveness measures that demonstrate the grants' performance and (2) provide advice on how to implement them. The Panel focused on SHSGP and UASI, as they represent the largest share of the Homeland Security Grant Program funds, providing more than \$1 billion annually for states and urban areas to enhance terrorism preparedness capabilities.

Report: Improving the National Preparedness System: Developing More Meaningful Grant Performance Measures (October 2011).

Recovery, Accountability, and Transparency Board

National Dialogue on Innovative Tools to Prevent and Detect Fraud, Waste, and Abuse

In September 2011, the Recovery Accountability and Transparency Board, recognizing rapid technological advancements in the commercial sector, partnered with the National Academy of Public Administration to host the National Dialogue on Innovative Tools to

Prevent and Detect Fraud, Waste, and Abuse (the Dialogue). This Dialogue was part of the Recovery Board's continuing efforts to identify and use state-of-the-art tools to enhance accountability and improve oversight of Recovery Act funds.

The week-long online dialogue went live in October 2011 and allowed participants to share their ideas on tools and solutions to prevent and detect fraud, waste, and abuse in Recovery Act funded programs. Upon conclusion of the Dialogue, the Academy Panel and study team analyzed the input and supplemented the insights gained with expert interviews and research to ensure that future enhancements to the Recovery Board's oversight efforts would reflect the best ideas of America's leading thinkers. The report from the Panel of Academy Fellows contained two sets of recommendations: the first aimed at Recovery Board activities and the second for government-wide consideration.

Report: *National Dialogue on Innovative Tools to Prevent and Detect Fraud, Waste, and Abuse (December 2011)*

Department of Defense (DoD)
Independent Assessment of the Department of Defense Review of Post-Employment Restrictions

The FY 2010 National Defense Authorization Act (the Act) mandated that the Department of Defense Panel on Contracting Integrity (DoD Panel) review policies relating to post-employment restrictions applicable to the DoD. The purpose of that review was "to determine if such policies adequately protect the public interest without unreasonably limiting future employment options of former Department of Defense personnel." Following the completion of the review, the Act requires that the Secretary of Defense contract with the Academy to "assess the findings and recommendations of [DoD's] review."

Following completion of its review in July 2011, DoD contracted with the Academy to conduct an independent review of the findings and recommendations of the DoD Panel report and to undertake an in-depth review of effective practices at other federal departments and agencies to inform key recommendations and implementation actions.

Report: *Department of Defense: Independent Assessment of the Department of Defense Review of Post-Employment Restrictions* (Anticipated April 2012).

STANDING PANELS

The Academy's standing panels are comprised of Fellows responsible for review and evaluation of significant developments in public administration. The following standing panel groups host meetings that generally feature presentations by distinguished guests, followed by informal discussion.

Social Equity in Governance Panel

The Social Equity in Governance Panel focuses on the fair and equitable management of all institutions serving the public. This Panel addresses multiple facets of social equity in

governance, serving to advance research and create a resource for researchers, students, scholars, and public administrators.

International Affairs Panel

The Standing Panel on International Affairs reflects the Academy's responsiveness to the international community. The efforts of this Panel include the training and education of local public executives and staff to function more effectively and sensitively in a global community. The Panel considers a broad range of issues, including:

- Assisting in the development of democratic institutions in transitional democracies throughout the world;
- Addressing public management challenges in developing countries;
- Examining the management of the U.S. government's international activities; and
- Promoting information sharing on promising practices in public management.

Executive Organization and Management Panel

The Standing Panel on Executive Organization and Management (EOM) is the Academy's oldest and longest serving standing panel. The Panel focuses on improving the structure, capacity, management and performance of public institutions.

The EOM Panel's mission to pursue initiatives designed to make government work better is derived from the Academy's Congressional Charter, which charges it with "foreseeing and examining critical emerging issues in governance." The EOM Panel fulfills this obligation by staying informed about current developments and subsequently proposing courses of action to improve performance in the Executive Branch.

The Federal System Panel

The Standing Panel on the Federal System considers challenges and issues related to the U.S. federal system and intergovernmental relations. Specific interests include the dynamics of:

- National-state, national-local, interstate, state-local, and inter-local relations in the United States;
- Central-local relations in other countries;
- Relationships between the governmental and nongovernmental/independent sectors in the United States;
- Relationships between citizens and their government; and
- Federal/intergovernmental systems and global developments.

Public Service Panel

The Standing Panel on Public Service meets regularly to discuss the difficult issues facing government, including human resources management. Issues before the Standing Panel include such challenges as:

- Managing multi-sector workforces composed of employees, contractors, and grant recipients;
- Implementing the personnel flexibilities given by Congress;
- Discussing issues around extending personnel flexibilities to all federal agencies;
- Discussing the challenges of succession planning;

- Expectations and challenges of the “Net Generation” workforce; and,
- Considering employee development an investment, not a cost.

PUBLIC FORUMS

In addition to the reports and initiatives conducted with individual agencies and departments, the Academy hosts public forums that have collectively brought together hundreds of performance and human resources practitioners together to discuss solutions to critical public management challenges. Local employees are able to utilize these forums as an educational opportunity for job-skill development. In FY 2011, the Academy hosted the following public forums on issues ranging from place-based public management to best practices in the assessment of mission support program impact:

Government Reorganization: Why? How? (March 2011)

In his State-of-the-Union address, President Obama announced his intention to undertake a series of government reorganizations. On March 8, 2011, Lisa Brown, Co-Director, Government Reorganization Effort, Office of Management and Budget, discussed the Administration’s approach to thinking about reorganization. Following Ms. Brown’s presentation, two panels of experts commented on the Administration’s proposals based on lessons from past government reorganizations, the new organizational challenge in a changing governance context, and practical considerations in the design and execution of government reorganizations. The forum closed with a Congressional perspective on the president’s reorganization proposals.

Forum on Place-Based Public Management (May 2011)

On May 20, 2011, the Academy hosted a forum to kick off its Place-Based Public Management Initiative. A major aim of this initiative was to engage the active interest of federal government leaders in the development of place-based management approaches and enabling geospatial capabilities. The Panel discussed lessons learned in developing and implementing place-based approaches to public management and identified the key challenges and opportunities in realizing the full potential of these approaches.

Moving the Needle on the National Debt (May 2011)

The Academy hosted a forum on how perceptions regarding the national debt have changed over the last year among policy influencers in the Washington area. This was the third in a series of events held in partnership with Public Agenda to explore this topic, and discuss how these attitudes affect policy makers. Prior to the roundtable discussion, Public Agenda presented an update to its “*The Buck Stops Where?*” survey, which over the past year tracked the attitudes of Washington policymakers and “Beltway influencers” about the national debt.

Public Accountability: Performance Measurement, the Extended State, and the Search for Trust (June 2011)

On, June 16, 2011, the National Academy of Public Administration hosted an event titled, *Public Accountability: Performance Measurement, the Extended State, and the Search for Trust*. Academy Fellows Melvin J. Dubnick and H. George Frederickson completed a study of accountability. The study was a treatment of the strengths and

weaknesses of contemporary applications of accountability to public affairs. The working title of the study was *Public Accountability: From Ambulance Chasing to Accident Prevention*, but that title was thought to lack the dignity such an important subject deserves. Dubnick and Frederickson challenged the often assumed relationship between performance measurement and accountability. They gave special attention to accountability challenges associated with the outsourcing of government work, what they call the “extended state.” They also provided examples of effective public accountability in the context of high trust public-private partnerships.

Conversations with Leaders: The Future of Leadership (July 2011)

On July 26, 2011, the Academy and the Center for Creative Leadership jointly hosted a seminar titled, *Conversations with Leaders: The Future of Leadership*. The topic of the future of leadership is profoundly important for executives in both public and private organizations as they struggle with the volume and complexity of organizational challenges that confront them. Leaders everywhere are reporting operating environments of urgency, high stakes, uncertainty, and nearly continuous change. Leaders are also reporting that many of the challenges they face, such as increasing competition, financial uncertainty, and political instability, are beyond their ability to influence or even predict. Given these realities, traditional notions of leadership and leadership development are no longer effective. The Academy event addressed what can be done to develop future leaders and prepare them to deal with this challenging world.

Conversations with Leaders: Governing in the Post-9/11 World (September 2011)

On Thursday, September 8, 2011, the Academy hosted a forum titled, *Conversations with Leaders: Governing in the Post-9/11 World*. This half-day event was designed to study the evolution of the Federal, State, and Local role in enhancing our ability to prevent and respond to acts of terrorism. Former Representative Tom Davis provided his insight on the federal response following the 9/11 attacks. In the first session, panelists discussed the evolution of the federal government’s role in terrorism prevention and response since the 9/11 attacks, focusing special attention on the creation of the Department of Homeland Security. In the second session, panelists discussed the federal role in state and local terrorism prevention and response efforts.