

§ 250.102

court order, a judicial or administrative settlement agreement, or an arbitral award under a negotiated agreement, the agency must follow the instructions in the Guide to Processing Personnel Actions and comply with all other relevant substantive and documentary requirements, including those applicable to retirement, life insurance, health benefits, and other benefits provided under this chapter.

§ 250.102 Delegated authorities.

OPM may delegate its authority, including authority for competitive examinations, to agencies, under 5 U.S.C. 1104(a)(2), through a delegation agreement. The delegation agreement developed with the agency must specify the conditions for applying the delegated authorities. The agreement must also set minimum standards of performance and describe the system of oversight by which the agency and OPM will monitor the use of each delegated authority.

§ 250.103 Consequences of improper agency actions.

If OPM finds that an agency has taken an action contrary to a law, rule, regulation, or standard that OPM administers, OPM may require the agency to take corrective action. OPM may suspend or revoke a delegation agreement established under § 250.102 at any time if it determines that the agency is not adhering to the provisions of the agreement. OPM may suspend or withdraw any authority granted under this chapter to an agency, including any authority granted by delegation agreement, when OPM finds that the agency has not complied with qualification standards OPM has issued, instructions OPM has published, or the regulations in this chapter. OPM also may suspend or withdraw these authorities when it determines that doing so is in the interest of the civil service for any other reason.

Subpart B—Strategic Human Capital Management

SOURCE: 73 FR 23013, Apr. 28, 2008, unless otherwise noted.

5 CFR Ch. I (1–1–11 Edition)

§ 250.201 Coverage and purpose.

The Chief Human Capital Officers (CHCO) Act of 2002 acknowledges the critical importance of Federal employees to the effective and efficient operation of Government. As a part of OPM's overall leadership responsibilities in the strategic management of the Federal civil service, and pursuant to 5 U.S.C. 1103, OPM is responsible for designing a set of systems, including standards and metrics, for assessing the management of human capital by Federal agencies. In this subpart, OPM establishes a framework of those systems, including system components, OPM's role, and agency responsibilities.

§ 250.202 Office of Personnel Management responsibilities.

(a) As the President's chief human capital officer, the Director of OPM provides Governmentwide leadership and direction in the strategic management of the Federal workforce.

(b) To execute this critical leadership responsibility, OPM adopts the *Human Capital Assessment and Accountability Framework (HCAAF)* to describe the concepts and systems for planning, implementing, and evaluating the results of human capital management policies and practices. See Appendix. In addition, OPM adopts the related set of assessment systems required by the CHCO Act as the *HCAAF Systems, Standards, and Metrics (HCAAF-SSM)*, also included in the Appendix. Each such assessment system associated with the HCAAF consists of:

(1) A standard against which agencies can assess the results of their management of human capital; and

(2) Prescribed metrics, as appropriate, for organizational outcomes, employee perspective, and compliance measures with respect to relevant laws, rules and regulations.

(c) Together, the HCAAF and the HCAAF-SSM guide agencies in planning, evaluating and improving the efficiency and effectiveness of agency human capital management with respect to:

(1) Alignment with executive branch policies and priorities, as well as with individual agency missions, goals, and

program objectives, including the extent to which human capital management strategies are integrated into agency strategic plans and performance budgets prepared under OMB Circular A-11;

(2) Identifying and closing competency/skill gaps in the agency's mission-critical occupations; ensuring leadership continuity through the implementation of recruiting, development, and succession plans; sustaining an agency culture that values, elicits, identifies, and rewards high performance; and developing and implementing a knowledge management strategy, supported by appropriate investment in training and technology; and

(3) Holding the agency head, executives, managers and human resources officers accountable for efficient and effective human capital management, in accordance with merit system principles.

§ 250.203 Agency responsibilities.

(a) To assist in the assessment of the management of human capital in the Federal Government, and to help meet the statutory requirements to prepare that portion of the performance budget for which agency Chief Human Capital Officers are accountable as well as relevant portions of performance and accountability reports, heads of agencies or their designees must maintain a current human capital plan and provide OPM an annual Human Capital Management Report, as outlined below, based on an approved human capital accountability system. The HCAAF and the HCAAF-SSM provide more specific information on coverage and content for the plan and report.

(1) *Human capital plan.* Using a format established by agreement between the agency and OPM, at a minimum the plan must include:

(i) *Human capital goals and objectives.* These are a comprehensive, integrated set of human capital goals and objectives, with detailed policy and program priorities and initiatives as appropriate, consistent with agency strategic plans and annual performance goals. These human capital goals and objectives must address each of the human capital management systems included in the HCAAF.

(ii) *Workforce analysis.* This analysis of the agency's workforce describes its current state, projects the human resources needed to achieve the agency's program performance goals and objectives during the term of the agency's strategic plan, and identifies potential shortfalls or gaps. An ongoing analysis must, for relevant agency mission requirements, describe the occupation(s) most critical to agency performance (including associated managerial and executive positions) and describe mission-critical competencies and key demographics (e.g., talent analyses, turnover, and retirement eligibility); and for each such occupation, describe its current and projected staffing levels, attrition and hiring estimates, and proposed training and development investments.

(iii) *Performance measures and milestones.* One or more human capital metrics, as well as appropriate program milestones, for each human capital goal or objective, provide a basis for assessing progress and results, including compliance measures with respect to relevant laws, rules and regulations. These metrics must include, but are not limited to, those described in the HCAAF-SSM issued under § 250.202(b). These metrics and milestones must be specifically linked to broader agency program performance goals, to evaluate the impact of the agency's human capital management on its overall mission performance.

(2) *Human capital accountability system.* This system provides for an annual assessment of agency human capital management progress and results including compliance with relevant laws, rules, and regulations. That assessment is conveyed in an annual Human Capital Management Report to OPM. The human capital accountability system must:

- (i) Be formal and documented;
- (ii) Be approved by OPM;
- (iii) Be supported and resourced by agency leadership;
- (iv) Measure and assess human capital management systems for mission alignment, effectiveness, efficiency, and compliance with merit system principles, laws, and regulations;
- (v) Provide for an independent audit process, with OPM participation, for