Accessible Version

August 7, 2017

The Honorable Kevin McCarthy
Majority Leader
House of Representatives
The Honorable Phil Roe
Chairman
Committee on Veterans’ Affairs
House of Representatives

Federal Telework: Improved Guidance and Communication on Recording Telework Hours Needed at Veterans Benefits Administration

As outlined in the Telework Enhancement Act of 2010, telework is an arrangement that allows employees to perform their work at an approved alternative worksite.¹ At the Department of Veterans Affairs (VA), the number of employees with telework agreements has increased, and as of September 30, 2016, about 47,000 of VA’s roughly 370,000 employees were eligible to telework, according to VA officials.

A key component of VA’s mission is processing veterans’ claims for disability benefits. Within VA, the Veterans Benefits Administration (VBA) is responsible for processing disability compensation claims, and employs about 10,000 Veterans Service Representatives (VSR) and Rating Veterans Service Representatives (RVSR) in its 58 regional offices. Data provided by VBA show that more than 50 percent of VSRs and RVSRs had approved telework arrangements in place as of February 2017. Almost all of these roughly 5,200 employees were approved to telework 3 days or more per 2-week pay period.² Given that many employees who process disability claims telework, it is important that VBA has adequate controls in place to ensure its performance goals for processing claims in a timely and accurate manner are still met.³

VBA’s telework program is subject to VA’s agency-wide telework policy, which outlines the criteria, process, and procedures for employees to be approved to telework.⁴ As with other VA components, VBA may make its own operational decisions on telework based on VA’s agency-


²Employees can be approved for one of the following telework arrangements: Ad hoc; regularly teleworks 1-2 days/pay period; regularly teleworks 3-5 days/pay period; regularly teleworks 6+ days/pay period; regularly teleworks 1 day/month; teleworks 100 percent outside of area; or teleworks 100 percent within the area.

³GAO previously reported that as telework participation expands, agencies must address how to develop and institute internal controls to ensure they are managing for results in a telework environment. In addition, we reported that agencies must establish policies to ensure that telework does not diminish employee performance or agency operations. GAO, Federal Telework: Additional Controls Could Strengthen Telework Program Compliance and Data Reporting, GAO-17-247 (Washington, D.C.: Feb. 17, 2017).

wide telework policy, according to VA officials responsible for managing the telework program. Similarly, according to VBA officials, VBA gives its regional offices discretion to implement VA’s telework policy as they deem appropriate.\(^5\)

VA’s telework policy stipulates several criteria for employees to be eligible for telework. Specifically, employees must:

- have a position that is suitable for telework;
- have a “fully successful” performance rating or higher;
- submit a written telework request to their supervisor; and
- upon supervisory approval for telework, complete mandatory telework training.\(^6\)

As the number of VA employees who telework increases, the ability to track telework and monitor any impact on employees’ performance will be critical for the agency to meet its goal of improved benefits claims processing. You asked us to review VBA’s telework policies and practices, and their impact on disability claims processing. This report examines how VBA oversees its telework program and how it tracks employees’ telework hours. We were unable to assess the impact of telework on disability claims processing at VA because we found significant issues with the completeness and reliability of VBA’s data on employees’ telework hours.

To determine the extent of VBA oversight of its telework program, we reviewed VA policies, such as VA’s agency-wide telework policy, and VA and VBA guidance on the oversight and monitoring of telework programs against selected internal control standards, requirements in the Telework Enhancement Act of 2010, and Office of Personnel Management (OPM) guidance on telework.\(^7\) We reviewed relevant VA guidance provided to VBA regional office telework coordinators and to supervisors of VSRs and RVSRs. We also interviewed VA headquarters officials, including human resources officials in VA’s Office of Human Resources and Management, and VBA officials who are responsible for implementing and managing telework, including those in VBA’s Office of Field Operations. We asked about oversight procedures for telework at the agency and VBA level, as well as how telework data are tracked. In addition, we collected telework data recorded in VA’s time and attendance system (VATAS) for two pay periods—one in January 2017 and one in April 2017. We also obtained VBA regional office data on the types of telework agreements VSRs and RVSRs had in place as of February 2017. We assessed the reliability of the data by comparing the data in both sources and interviewing agency officials knowledgeable about the data. Based on this assessment, we found that while there were no identified issues with the integrity of the VATAS system generally, the telework status of hours worked by VSRs and RVSRs was not systematically reported in VATAS during the two time periods we examined. As a result, we determined that data in the VATAS system is not sufficiently reliable for an analysis to determine any impact of telework on employees’ ability to process disability compensation claims. We discuss issues related to the reliability of the data in our report.

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\(^5\) According to VA officials, per Article 20 of the American Federation of Government Employees and the Department of Veteran Affairs Master Level Agreement, telework negotiations may be locally bargained on the local level regarding procedures for participation; work schedules; methods for resolving employee conflict for specific work at home schedules; and a number of other areas.

\(^6\) VBA guidance issued in May 2017 states that employees who completed training prior to July 1, 2014, must retake it.

\(^7\) The Telework Enhancement Act of 2010 assigned leadership responsibility to the Office of Personnel Management, including for providing guidance to agencies on telework, among other things. 5 U.S.C. § 6504(b).
We conducted this performance audit from September 2016 to August 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Results in Brief

Officials at the Department of Veterans Affairs (VA) told GAO that recording telework hours for each pay period became a requirement in March 2017 at VA, but the agency does not yet have key controls in place to ensure that employees’ telework hours are recorded accurately in the time and attendance system. Specifically, VA has not updated its agency-wide written telework policy and other guidance to reflect the change. Moreover, although VA began communicating the change to timekeepers and telework coordinators—officials who help manage the telework program in each office—it has not taken steps to inform all employees and supervisors throughout the agency. Consequently, as of May 2017, some Veterans Benefits Administration (VBA) headquarters officials said they were not aware of the requirement. Federal internal control standards call for management to clearly communicate changes in its programs and activities, such as new requirements, to the appropriate personnel. Without outlining the new requirement to record telework hours in all relevant guidance and communicating it to all employees, some employees’ telework hours may not be accurately recorded. Our analysis of time and attendance data for VSRs and RVSRs for pay periods before and after March 2017 confirmed this concern. Although VA told us that employees are generally expected to work their telework schedules, we found that almost half of the employees with agreements to regularly telework had no telework hours recorded in VA's time and attendance system (VATAS) in April 2017. Thus, VATAS data were unreliable, incomplete, and therefore, insufficient for us to determine the extent to which employees telework across VBA. Furthermore, VA and VBA did not have plans to monitor whether telework hours are being accurately recorded within VATAS. Federal internal control standards call for management to develop monitoring activities and evaluate the results. Without such monitoring, VA and VBA are limited in their ability to assess the possible impact of telework on employee performance.

VBA has taken some steps to improve oversight of its telework program. Specifically, in May 2017, VBA issued guidance that outlines responsibilities for implementing and managing the program, and to help ensure employee compliance with telework eligibility requirements in VA policy. As part of these responsibilities, VBA management will be required to conduct a comprehensive review of the telework program, which will include monitoring whether employees and supervisors complete mandatory training. However, the recent guidance also does not include monitoring activities to ensure the accurate recording of telework hours in VATAS.

Recent Change to Record Telework Hours Has Not Been Effectively Documented and Communicated by VA and VBA

VA officials stated that recording regular telework hours in VA’s time and attendance system (VATAS) was not a requirement until March 2017 when, during the course of our review, the agency determined it should create such a requirement. However, the agency has not updated its telework policy and relevant documents to reflect this change, nor has the agency

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8VA telework policy stipulates that eligible employees may be approved for a regular telework schedule that allows them to work at an alternative work site on regular, recurring, and ongoing basis. Employees may telework as few as 1 day per month or as many as 5 days per week.
communicated it to all employees. Employees have a regular, set work schedule in VATAS, and timekeepers are responsible for entering any changes to that schedule to reflect actual hours worked for each 2-week pay period. Employees are responsible for communicating schedule changes to their supervisors. Supervisors, in turn, approve schedule changes, communicate these changes to timekeepers, and verify employees’ time and attendance for each pay period. Since March 2017, VA has updated its training materials for timekeepers and supervisors to clearly state that employees’ time and attendance records should specify the hours they teleworked. Through training sessions, monthly conference calls with timekeepers, and quarterly calls with telework coordinators, the agency also began communicating that telework hours should be recorded in VATAS.

Even with these efforts, not all employees and supervisors have received notification of the change, and some VBA headquarters officials said 2 months later that they were not aware of the requirement. The Office of Personnel Management (OPM) states that collecting accurate telework data is critical to evaluating and improving telework programs, and also promotes tracking such data through payroll systems as a method to improve the quality of data that agencies report to OPM. In addition, federal internal control standards call for management to document internal control responsibilities in its policies, and to clearly communicate changes to its programs and activities, such as new requirements, to the appropriate personnel. Some telework coordinators and timekeepers have notified employees in their offices regarding the new requirement. However, VA has not updated its agency-wide telework policy and other relevant guidance, including its Frequently Asked Questions on Telework and Factsheet – TELEWORK, to reflect the March 2017 change. Without consistently documenting the change in agency guidance and effectively communicating it to its employees, VBA cannot have reasonable assurance that accurate or reliable data will be collected on the telework program, including actual telework hours.

This concern was confirmed through our analysis of VATAS data for VSRs and RVSRs for pay periods before and after March 2017 (the second pay period in January 2017 and the first pay period in April 2017). We found these data unreliable and incomplete. Specifically, we reviewed data on telework agreements for employees in VBA’s regional offices, and found that over 5,200 VSRs and RVSRs have approved agreements to telework on a regular basis. VA officials told us that, with occasional exceptions, VSRs and RVSRs with regular telework

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9 According to VA officials, timekeepers who completed the VATAS training prior to the March 2017 requirement will be informed of the requirement during their yearly mandatory refresher training.

10 VA’s telework policy defines telework coordinators as “VA employees designated in each facility to handle the responsibilities of maintaining a record of employees under telework agreements and any other duties requested by management to help manage a facility’s telework program.” According to VBA officials, telework coordinators are located in its regional offices.

11 OPM does not prescribe how agencies should collect information on telework, and VA officials told us that the agency’s official system to track telework is not VATAS. Instead, VA pulls data on telework eligibility and approved agreements from a personnel accounting system to report on telework participation to OPM. In 2016, OPM reported that 61 percent of agencies used their time and attendance system to track and report on telework, and that other methods included using another tracking system or manually reviewing agreements. OPM reported that the differing methodologies that agencies use to collect these data could contribute to invalid and unreliable numbers on teleworkers across the government. OPM, Status of Telework in the Federal Government Report to Congress, Fiscal Years 2014-2015 (Washington, D.C.: November 2016).


13 We initially requested VATAS data in February 2017, and VA provided the most recent pay period data available at that time. After the March 2017 requirement was added, we requested and VBA provided VATAS data for April 2017. We reviewed data for employees with regular telework hours recorded in VATAS. Employees with other types of telework hours recorded, such as medical or ad hoc, were not included in our analysis.

14 Telework agreement data was provided by VBA in February 2017.
agreements are generally expected to telework as specified in their agreement. However, only about 2,800 VSRs and RVSRs had telework hours recorded in VATAS in the first pay period of April 2017, after the change to record telework hours was put in place. Although that number was an increase from about 2,300 VSRs and RVSRs who had recorded telework hours in the pay period we reviewed in January before the change, almost half of the employees with agreements to regularly telework still had no telework hours recorded in VATAS in April. Because these telework data were incomplete and unreliable, we were unable to assess any potential impact of telework on disability claims processing.

VA and VBA did not have plans to review VATAS telework data against employees’ approved telework agreements to verify that telework hours are being accurately recorded. Federal internal control standards call for management to develop monitoring activities and evaluate the results. Without monitoring to ensure that accurate data on telework hours are recorded in VATAS, VA and VBA are limited in their ability to assess the possible impact of telework on employee performance. In addition, any policy or program decisions for teleworking based on incomplete data may be less effective.

VBA Recently Issued Guidance That Outlines Oversight Requirements for Its Telework Program

During the course of our review, VBA officials told us that they performed limited monitoring to ensure compliance with telework program policies. Officials also said they were developing guidance on oversight responsibilities and activities. In May 2017, VBA issued a telework directive that outlines responsibilities for telework coordinators, supervisors, and employees for implementing and managing the program. Among other things, the directive states that telework coordinators should “perform program oversight activities to include ensuring required forms and training requirements are met.” The directive does not mention that employees’ telework hours should be recorded in VATAS or identify any monitoring activities that will be conducted to ensure that hours are accurately recorded.

VBA also issued a letter directing management officials in all offices to conduct a comprehensive review of the telework program by July 2017, to ensure timely compliance with the directive. According to a VBA official, both headquarters and regional officials are required to conduct this review. As part of this review, VBA leadership and management officials must verify that all employees authorized to telework and their supervisors have completed mandatory telework training. Per the Telework Enhancement Act of 2010 and OPM guidance, VA’s telework policy requires employees to complete training before supervisors approve them for telework. Additionally, VA policy requires that supervisors complete training prior to approving telework requests.

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15 GAO-14-704G.
16 Department of Veterans Affairs, Veterans Benefits Administration, VBA Letter 20-17-06, VBA Telework Directive (May 19, 2017).
17 Department of Veterans Affairs, Veterans Benefits Administration, VBA Letter 20-17-07, Comprehensive Telework Preparedness Review (May 19, 2017).
18 According to the guidance, offices should: (1) review position suitability for telework; (2) verify completion of employee and supervisor telework training; (3) complete new telework agreements for employees authorized to telework; and (4) designate telework coordinators in each VBA office.
VBA’s new requirement to monitor training could help inform VBA headquarters offices on whether employees and supervisors across its regional offices are meeting training requirements, and are thus familiar with the agency’s telework policies. In addition to this new guidance, VBA’s Telework Manager told us that VBA plans to start annual verification that employees with a telework agreement on file are meeting performance standards. It is too early to determine the effectiveness of these efforts, although they appear to be positive steps toward improving oversight of VBA’s telework program.

Conclusions

As VBA employees increasingly choose to telework, it is critical for the agency to both collect complete and reliable data on telework to help assess any impact of the program on employee performance, and to provide effective oversight of the program. VA’s recent decision to have telework hours recorded is a positive step that could help ensure the agency has key data on telework. Nonetheless, without clearly communicating this change to all employees and supervisors throughout VBA, and updating all relevant guidance and training materials, the likelihood of this new requirement being consistently implemented is limited. Our findings also raise questions about the quality and completeness of VA telework data, which underscores the importance of monitoring employees’ telework hours in VATAS. Without such monitoring, VBA cannot have reasonable assurance that telework hours are being recorded accurately. Further, the agency will be limited in its ability to effectively assess any impact of telework on employee performance, and to identify and address problems related to telework.

Recommendations for Executive Action

The Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration and the Under Secretary for Benefits to

- review and update all relevant policies and guidance to reflect the agency’s requirement that employees’ hours teleworked be recorded in VATAS;
- communicate that telework hours should be recorded in VATAS to VBA regional office employees; and
- develop a process to monitor the quality of data and to ensure that employees’ telework hours are recorded accurately and completely in VATAS.

Agency Comments and Our Evaluation

We provided a draft of this report to the Department of Veterans Affairs (VA) for review and comment. We received written comments from VA, which are reproduced in the enclosure.

In its written comments, VA agreed with all three of our recommendations. With regard to our first recommendation, VA stated that its Office of Human Resources and Administration (HR&A) will update VA’s telework policy to inform managers and timekeepers of VA’s requirement to record employee telework hours and schedule in VA’s time and attendance system (VATAS), and that its Veterans Benefits Administration (VBA) will update its telework policies and guidance to reflect the requirement. With regard to our second recommendation, VA stated that HR&A will issue a memorandum to Under Secretaries, Assistant Secretaries, and other key officials to notify them of the requirement to record telework hours and schedule in VATAS. VBA will also provide training to timekeepers, management, and employees to inform them of the requirement. With regard to our third recommendation, VA stated that HR&A will collaborate with the VA’s Office of Management, Financial Service Center to provide VATAS timekeeping
guidance, and to assist local payroll offices with timekeeper training to establish monitoring of telework records in VATAS.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to the appropriate congressional committees and the Secretary of Veterans Affairs. In addition, the report will be available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or brownbarnesc@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report include Nyree Ryder Tee (Assistant Director), Teresa Heger (Analyst in Charge), Susan Aschoff, Adrianne Cline, Alex Galuten, Kirsten Lauber, Stacy Spence, and Almeta Spencer.

Cindy Brown Barnes
Director, Education, Workforce, and Income Security

Enclosure
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC 20420

July 11, 2017

Ms. Cindy Brown Barnes
Director
Education, Workforce, and Income Security
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Brown Barnes:

The Department of Veterans Affairs (VA) has reviewed the Government Accountability Office’s (GAO) draft report, “FEDERAL TELEWORK: Improved Guidance and Communication on Recording Telework Hours Needed at Veterans Benefits Administration” (GAO-17-621R).

The enclosure sets forth the actions to be taken to address the GAO draft report recommendations.

VA appreciates the opportunity to comment on your draft report.

Sincerely,

Gina S. Fairisee
Deputy Chief of Staff

Enclosure
GAO Recommendation: The Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration and the Under Secretary for Benefits to:

Recommendation 1: Review and update all relevant policies and guidance to reflect the agency’s requirement that employees’ hours teleworked be recorded in VATAS.

VA Comment: Concur. By December 31, 2017, the Department of Veterans Affairs (VA) Office of Human Resources and Administration (HR&A) will update VA Handbook 5011 to inform managers and timekeepers of the requirement to record employee time and attendance record in VA’s Time and Attendance System (VATAS). Veterans Benefits Administration’s (VBA) policies and guidance on telework will be updated within 30 days after HR&A revises VA Handbook 5011 to ensure complete and accurate recording of telework in accordance with the Office of Personnel Management’s (OPM) Guide to Human Resources Reporting, Chapter 4. Target Completion Date: January 31, 2018.

Recommendation 2: Communicate that telework hours should be recorded in VATAS to VBA regional office employees.

VA Comment: Concur. By July 31, 2017, HR&A will issue a Memorandum to Under Secretaries, Assistant Secretaries, and other key officials to serve notice of OPM’s requirement to record telework schedules and hours in official time and attendance systems. VBA will provide training to timekeepers, management, and employees to ensure full awareness, implementation and compliance with telework recording requirements in VATAS during the first quarter of fiscal year 2018. Target Completion Date: December 31, 2017.

Recommendation 3: Concur. Develop a process to monitor the quality of data and to ensure that employees telework hours are recorded accurately and completely in VATAS.

VA Comment: Concur. HR&A will collaborate with the VA’s Office of Management, Financial Service Center, the office responsible for the deployment of VATAS, providing VATAS timekeeping guidance, and assisting local payroll offices with timekeeper training. The collaborative effort will ensure internal controls are established to monitor compliance with accurately recording telework in VATAS. Target Completion Date: October 30, 2017.
July 11, 2017

Ms. Cindy Brown Barnes Director

Education, Workforce, and Income Security

U.S. Government Accountability Office 441 G Street, NW

Washington, DC  20548

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VA Comment: Concur. HR&A will collaborate with the VA’s Office of Management, Financial Service Center, the office responsible for the deployment of VATAS, providing VATAS timekeeping guidance, and assisting local payroll offices with timekeeper training. The collaborative effort will ensure internal controls are established to monitor compliance with accurately recording telework in VATAS. Target Completion Date: October 30, 2017.