



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

Human Capital Leadership  
and Merit System  
Accountability Division

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MEMORANDUM FOR DIRECTORS OF HUMAN RESOURCES

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HUMAN CAPITAL LEADERSHIP AND  
MERIT SYSTEM ACCOUNTABILITY

Subject: Requirements for Human Capital Accountability Reports to  
Address Senior Executive Service Performance-Oriented Pay  
Systems

The Office of Personnel Management (OPM) is currently reviewing the first agency Human Capital Accountability Reports (HCAR). The HCAR represents the future barometer for measuring agency progress toward the effective workforce management, compliance with merit system principles, strategic workforce planning, and OPM is continuing to provide guidance to agencies in this regard.

One of the key indicators of agency success is effective performance management. Agencies currently use the OPM Performance Appraisal Assessment Tool (PAAT) to assess General Schedule (GS) appraisal systems. Many agencies have requested a similar tool that can be used to assess whether SES appraisal systems are meeting full certification criteria. The SES PAAT is in development and will become part of the agency's accountability system and is intended to be used in the same manner as the GS PAAT.

We will be working closely with the internal and external stakeholders to refine the SES PAAT and to define its utility in the certification process. OPM plans to release the SES PAAT to agencies and to conduct workshops on how to complete the tool before the end of calendar year 2007. OPM will continue the annual data call for SES ratings, pay, and awards as a separate action each year, but it is our vision agencies will use the PAAT system to report in the annual HCAR submissions and thus support their certification requests. In the interim, you should review and report on the status of your SES performance-oriented pay systems in your HCAR. The HCAR template has been modified to include SES performance system review and assessment.

If you have any questions, please contact your OPM Human Capital Officer.