

# Congress of the United States

Washington, DC 20515

September 26, 2023

The Honorable Denis R. McDonough  
Secretary of Veterans Affairs  
810 Vermont Ave. NW  
Washington, DC 20420

Dear Secretary McDonough,

We write to express our disappointment at the Department of Veterans Affairs' (VA) misuse of the critical skill incentive (CSI) authority. Contrary to congressional intent, incentives were used to boost pay of senior executives at VA rather than bolster staffing for critical shortage positions requiring highly skilled individuals.

In 2022, as part of the expansion of care and benefits for veterans and their families under P.L. 117-168, the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act), Congress included provisions to build VA workforce capacity in response to an expected increase in demand for services. Congress worked with VA to craft Title IX of the PACT Act to address hiring shortages across the enterprise. One such authority in Section 909 allowed VA to provide CSI to employees with "a high-demand skill or skill that is at a shortage" and whose employment serves a critical need. The intended purpose of this authority was to hire positions such as human resources specialists who can aid in hiring for other positions, information technology (IT) professionals to help improve and support VA's IT systems, and police officers and housekeepers who have faced hiring shortages for years and are essential to the day-to-day operation of VA facilities.

On September 22, VA informed us that \$9.7 million had been awarded to senior executives at VA headquarters without ensuring that the payments met the need and intent behind the authority. VA leadership managing the program clearly did not follow the intended procedures and guardrails that facilities in the field were required to follow. We expect a much higher level of due diligence, oversight, and planning at this executive level.

VA must strengthen its internal controls and management structures to ensure authorities provided by Congress do not suffer from similar carelessness. We support your request for VA's Office of Inspector General to conduct a full review. At the same time, we are heartened that, according to the Department's data, more than \$100 million has been used as Congress intended for staff in human resources, security, and housekeeping under this authority. Regardless, Congress will pursue additional oversight and more aggressive safeguards on existing and future authorities to ensure this does not happen again.

In order for the Committees to provide oversight of this matter, we request the Department provide the following information by October 6, 2023:

- Provide the guidance shared with VA headquarters and the field on CSI including criteria for qualification.
- Provide the justification used to initially approve CSI payments to career senior executives at VA headquarters and the offices or teams that approved them.

- Provide a summary of the process VA will use to cancel and recoup all CSI payments made to career senior executives at VA headquarters.
- Provide a listing of all CSI requests, by occupation and program office or facility, made to date. Include in that listing details as to the offices or teams that approved or denied the request; the amount granted; and of those denied, the reason why.
- Provide a plan with timelines on how VA will strengthen oversight and program controls to prevent the occurrence of similar incentive mismanagement.

Sincerely,



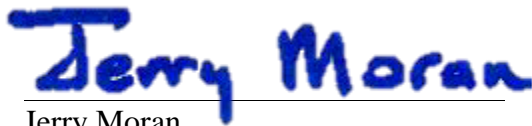
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Jon Tester  
Chairman  
Senate Committee on Veterans' Affairs



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Mike Bost  
Chairman  
House Committee on Veterans' Affairs



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Jerry Moran  
Ranking Member  
Senate Committee on Veterans' Affairs



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Mark Takano  
Ranking Member  
House Committee on Veterans' Affairs