



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

# **REASSIGNMENT OF SENIOR EXECUTIVES AT THE U.S. DEPARTMENT OF THE INTERIOR**

**This is a revised version of the report prepared for public release.**



**OFFICE OF  
INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

APR 10 2018

Memorandum

To: Secretary Zinke

From: Mary L. Kendall  
Deputy Inspector General

Subject: Final Evaluation Report – Reassignment of Senior Executives at the U.S. Department of the Interior  
Report No. 2017-ER-061

This report presents the results of our review of the reassignment of Senior Executive Service (SES) members at the U.S. Department of the Interior (DOI). We conducted this evaluation to determine the process the Executive Resources Board (ERB) used to reassign senior executives, and to determine whether the ERB complied with Federal legal requirements and followed U.S. Office of Personnel Management guidance. Because the DOI did not document its plans or reasons for the reassignment decisions or gather the information needed to make informed decisions, we could not determine whether or not the ERB complied with the Federal legal requirements or with OPM guidance. Based on the Deputy Secretary's response (see Appendix 5) we consider recommendations 1, 3, and 4 resolved but not implemented, and recommendation 2 resolved and implemented (see Appendix 6). We will refer the recommendations to the Assistant Secretary for Policy, Management and Budget to track implementation.

We do not require a response to this report, but we request that the Deputy Secretary provide the Assistant Secretary for Policy, Management and Budget additional information regarding support for implementation of recommendations 1, 3, and 4.

The legislation creating the Office of Inspector General requires that we report to Congress semiannually on all audit, evaluation, and inspection reports issued; actions taken to implement our recommendations; and recommendations that have not been implemented.

If you have any questions regarding this report, please call me at 202-208-5745.

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## Results in Brief

The U.S. Department of the Interior's (DOI's) Executive Resources Board (ERB) reassigned 27 of its approximately 227 members of the Senior Executive Service (SES) between June 15, 2017, and October 29, 2017. We reviewed the process the ERB used to reassign senior executives to determine whether the ERB complied with Federal legal requirements and U.S. Office of Personnel Management (OPM) guidance.

The ERB did not document its plan or the reasons it used when selecting senior executives for reassignment, nor did it gather the information needed to make informed decisions about the reassignments. In addition, the ERB did not communicate the decisions made with the SES corps or with most managers affected by the reassignments. Absent documentation, we could not determine whether or not the ERB complied with Federal legal requirements in 5 U.S.C. §§ 3131 and 3395, which govern administration of the SES. We found that the ERB did not follow the OPM's guidance for organizing and operating an ERB detailed in a September 2009 memorandum that provided recommendations for agencies to consider when developing ERBs.

We make four recommendations that, if implemented, will improve the process for future reassignments.

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# Introduction

## Objective

We reviewed the reassignment of members of the Senior Executive Service (SES) at the U.S. Department of the Interior (DOI) to determine the process the Executive Resources Board (ERB) used to reassign senior executives, and to determine whether the ERB complied with Federal legal requirements and U.S. Office of Personnel Management (OPM) guidance.

## What We Did

We interviewed members of the ERB; advisors to the ERB; bureau directors and assistant secretaries, or those in acting roles of those positions; and 31 of the 35 affected senior executives to answer our objective. We were unable to interview the remaining four affected senior executives.

We also reviewed relevant laws, regulations, policies, and procedures related to the creation and operations of the SES, OPM guidelines for ERBs, emails sent between key members of the ERB, demographic and employment history data for the affected senior executives, and data on relocation costs associated with the SES reassignments.

Appendix 1 further details our scope and methodology.

## Background on the SES Program

The SES includes both career and noncareer employees. Career SES members hold top managerial and policy positions in Federal agencies and provide institutional stability and continuity across presidential and secretarial administrations, while noncareer SES members generally leave with the changing administration. At the time of our review, the DOI had approximately 227 career and noncareer SES employees. This report discusses only the reassignments of career senior executives.

There are several governance documents pertaining to the administration and management of the SES. Title 5 U.S.C. § 3131 outlines 14 requirements for the administration of the SES (see Appendix 2). SES career appointees are senior executives who are selected through the agency merit staffing process. A qualifications review board convened by the OPM reviews and approves the executive qualifications of all SES career appointees.

In addition, 5 U.S.C. § 3395 grants agencies the broad authority to reassign senior executives to another position “for which the appointee is qualified” (see Appendix 3). This statute also requires that the senior executive be given adequate written notice of the reassignment and generally that the reassignment not occur within 120 days after the appointment of the agency head. Another requirement is

that if the reassignment is outside the senior executive's commuting area, the senior executive must be consulted on the reasons for, and preferences with respect to, the proposed reassignment and receive notice at least 60 days before the effective date of the reassignment.

Finally, the OPM issued a memorandum, dated September 9, 2009, that explained the legal requirements for ERBs and provided recommendations for agencies to consider when developing ERBs.<sup>1</sup>

Executive Order 13714, "Strengthening the Senior Executive Service," which established a fiscal year 2017 Governmentwide goal to have 15 percent of all SES employees rotated into different positions for at least 120 days, including reassignments, transfers, details, and sabbaticals, was issued on December 15, 2015. Between calendar years 2009 and 2017, the DOI reassigned 168 senior executives in total, ranging between 3.9 and 12.8 percent of senior executives reassigned each year. This does not include transfers, details, sabbaticals, or other nonpermanent reassignments.

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<sup>1</sup> OPM memorandum for chief human capital officers, "Executive Resources Boards," found at <https://www.chcoc.gov/content/executive-resources-boards>.

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## Findings

Between June 15, 2017, and October 29, 2017, the ERB proposed reassignment positions for 35 career SES members. The ERB did not document its plan or communicate with the affected SES members before making reassignment decisions, nor did it follow OPM guidance regarding the organization and operation of ERBs. Although the Deputy Solicitor expressed his belief that the process met all legal requirements, absent documentation, we could not independently determine whether or not the ERB complied with the Federal legal requirements found in 5 U.S.C. §§ 3131 and 3395.

On May 19, 2017, Secretary Zinke formed an ERB to oversee the management of SES resources, which included position establishment, performance appraisals, executive development, and reassignments. On June 2, 2017, the ERB held its first meeting, at which it discussed and decided on 34 senior executive reassignments; the ERB later added one reassignment, resulting in 35 total reassignments. The proposed reassignments included both nongeographic and geographic moves. On June 15, 2017, the ERB met with the DOI's assistant secretaries, acting assistant secretaries, and the bureau and office directors to announce the proposed reassignments. Later that day, the ERB sent email notices of reassignment to 33 of the 35 senior executives; it notified the remaining two senior executives at a later date.

Twenty-seven of the 35 senior executives who received reassignment notifications were actually reassigned. Of the remaining eight senior executives who received notices of reassignment, three resigned before being placed into new positions, three had their reassignments rescinded, and two stayed in position pending their retirement.

In accordance with 5 U.S.C. § 3395, reassignments of senior executives cannot take place until 120 days after appointment of the head of the agency. Secretary Zinke was confirmed as the Secretary of the Interior on March 1, 2017. Most of the senior executives received notices of reassignments on June 15, 2017—106 days after Secretary Zinke's confirmation. The effective date of individual reassignments varied, but the first reassignment began on July 2, 2017—123 days after Secretary Zinke's confirmation.

### **The ERB Did Not Document Its Plan or Communicate With SES Members Before Making Reassignment Decisions**

We found that the ERB did not document its plan for selecting senior executives for reassignment, nor did it consistently apply the reasons it stated it used to select senior executives for reassignment. We also found that the ERB did not gather the information needed to make informed decisions about the reassignments, nor did



it effectively communicate with the SES members before the reassignment process.

### **No Documented Plan for SES Reassignments**

Senior departmental leadership, many of which were later placed on the ERB, met on May 12, 2017, to discuss senior executive reassignments. The meeting was attended by the Associate Deputy Secretary, who was later named the ERB chair on May 19, 2017. Additional meetings were held on June 2, 2017, and June 15, 2017, but did not have meeting minutes, notes, voting or decision records, or other documentation for these meetings or for any other activities or discussions related to the reassignments, other than photographs of poster boards.

Because the ERB had no documents related to its decisions, we relied on interviews with ERB members for the rationale behind the ERB's decisions. We asked each ERB member what, or who, prompted the reassignments and how they identified the senior executives for reassignment. Despite repeated attempts to understand the direction or guidance given by departmental leadership, we only received broad explanations of reassigning senior executives:

1. Time in position
2. Moving senior executives out of the Washington, DC, area
3. Moving senior executives to other functional areas to share knowledge

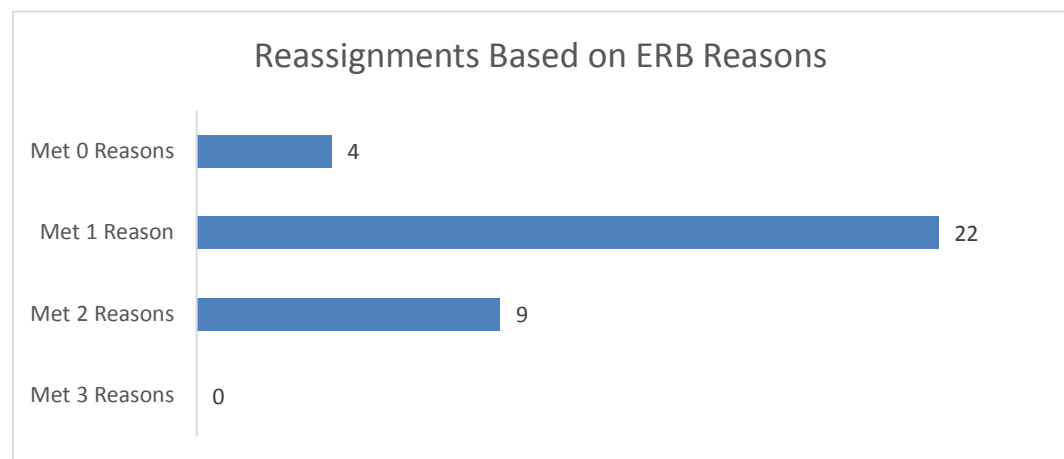


Figure 1. Reassignments of senior executives based on the reasons provided by the ERB.

We found no evidence that the ERB evaluated the proposed reassignments against the three stated reasons. All but four executives met at least one of the stated reasons. When we asked the ERB members who in the Department leadership ordered the reassignment of senior executives, no one could provide an answer. One ERB member told us that the ERB members only discussed senior executives

who they knew or had experience with and that there was not much thought or discussion given to reassigning senior executives they did not know.

**Reason 1: Time in Position**

When interviewed, the ERB members were unable to provide a consistent determination of what length of time constituted a long tenure, and we found no other Governmentwide criteria that defined a long tenure in position. To analyze the data, we selected 5 years in position as a long tenure. We found that 26 senior executives who received proposed reassignments had worked in their current position for fewer than 5 years; 11 of those 26 had worked in their current position for fewer than 2 years. We identified one senior executive selected for reassignment who had been in the position fewer than 8 months. Figure 2 details the tenure in position of the senior executives selected for reassignment.

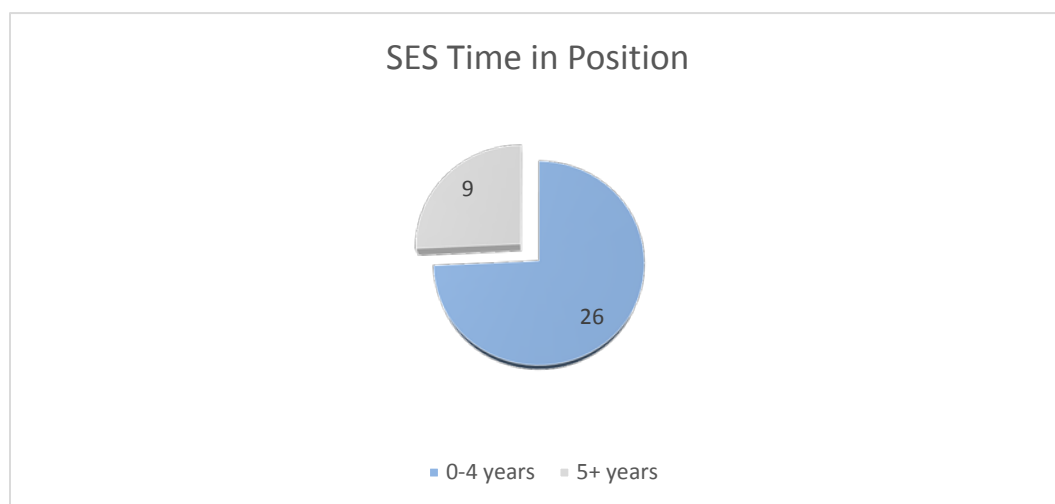


Figure 2. Senior executives' time in position before receiving notice of reassignment.

**Reason 2: Reassign Senior Executives Outside of Washington, DC, Area**

Twenty-two senior executives who received reassignment notifications worked in the Washington, DC, area. Of the 35 proposed reassignments, 4 senior executives or positions received proposed reassignments from the Washington, DC, area, to a field office, while 4 senior executives received proposed reassignments from a field office to Washington, DC, effectively negating the ERB's stated reason to move senior executives to field offices.

**Reason 3: Reassign Senior Executives to Other Functional Areas**

We found that 18 senior executives who received reassignment notifications met only this criterion of being moved to a different functional area; these 18 senior executives did not have a long tenure in a current position nor were they moved from Washington, DC, to a different geographic location. The ERB did not provide any other reason for selecting these 18 senior executives for reassignment other than cross pollination.

### **Perception of the SES Members**

When interviewed, 17 senior executives selected for reassignment questioned whether these reassignments were political or punitive, based on a prior conflict with DOI leadership, or on the senior executive's nearness to retirement. Many executives speculated that multiple reasons applied. Twelve of the senior executives believed their reassignment may have been related to their prior work assignments, including climate change, energy, or conservation.

Appendix 4 further summarizes the perceptions of all senior executives interviewed of the reasons they were selected for reassignment.

### **The ERB Did Not Gather the Information Needed To Make Informed Decisions**

We found no documented evidence—nor were we provided a methodology or record of discussion—that the ERB reviewed the senior executives' qualifications before proposing reassignments.

ERB members and advisors told us that instead of consulting with the senior executives or with the senior executives' supervisors about performance and qualifications, the ERB used short biographies submitted by the senior executives in February 2017 at the request of the Deputy Assistant Secretary – Human Capital and Diversity. The stated purpose of these biographies was “a way for the new political leadership to get to know the career SES.” There was no indication the biographies would be used for anything other than this purpose. The ERB included brief statements of each senior executive's qualifications in the reassignment notifications, but in most cases, this statement included only a few short sentences. In at least one case, the statements in the notification were quoted verbatim from the biography submitted by the senior executive.

In addition, we found that the ERB reassigned eight senior executives into positions that did not have an official position description until more than 2 weeks after sending reassignment notices. Two senior executives who were moved into new positions raised concerns that they were not qualified for their new positions. For example, one of these senior executives was moved to a position that requires

Finally, the ERB members told us that they did not consider the cost that the Government would incur when it reassigned senior executives to different geographic locations.

### **The ERB Did Not Effectively Communicate With the SES Members Before the Reassignment Process**

The ERB did not communicate its intent to reassign the senior executives before it issued reassignment notifications and did not include senior executives in the reassignment selection process. We found that the ERB did not follow the

recommendation of the Deputy Solicitor to send a memorandum informing all senior executives of proposed SES changes at the DOI. The Deputy Solicitor prepared the memorandum, which detailed the Secretary's priorities for the DOI and its senior executives, to include moving executives to the "front-line," reallocating executives based on policy objectives, strengthening collaboration and interoperability, and reducing length of service in one position. This memorandum was never sent to the SES members. The ERB advisor told us that she consulted with the Deputy Associate Director for Senior Executive Services and Performance Management at the OPM who said this communication may backfire and instill fear in the SES corps. We were unable to confirm this consultation.

We found that 29 of the reassigned executives we interviewed had no indication of the reassignment before receiving official notification. Twelve of the senior executives chosen as part of the June 2017 reassignments told us they had previously received a directed reassignment, but generally described the previous reassignment process as engaging, and stated they discussed the reassignment and their suitability for the position with a supervisor before receiving official notification of reassignment.

In addition, we were told that in the majority of cases, neither the supervisor, acting bureau director, nor assistant secretary were aware of the reassignment until hours before the ERB sent the reassignment notifications.

Finally, we found that the ERB did not effectively communicate with affected senior executives when it canceled proposed moves. Four proposed reassignments were canceled after sending out official notification because one of the senior executives was planning to retire on January 2, 2018. The domino effect of this senior executive's retirement changed the status of the reassignments of three other senior executives, but none of the other senior executives affected by the cancellation of the reassignments were contacted. One of the senior executives stated he had to contact DOI's chief human capital officer to ask about the status of his reassignment. He told us he could not plan professionally or personally and that he had to give notice that he would not renew his lease on his private residence. He negotiated a lease breakage option on his new lease because of uncertainty after he received notification for a geographic reassignment that the ERB ultimately canceled.

## **OPM Guidance for Organizing and Operating an ERB**

The OPM established recommendations to promote the effectiveness of ERBs in managing senior executive resources. The guidance, issued September 9, 2009, explains what ERBs must do to comply with 5 U.S.C § 3393 and includes practices that can "enhance the management of the agency's executive cadre and organization." Although not required by law, the DOI did not implement these practices when it established its ERB.

Specifically, the DOI did not:

- Establish an ERB charter
- Ensure a balanced membership on the ERB
- Document ERB activities

### **No ERB Charter**

We found that the ERB did not have a charter and we found no evidence that the previous ERB had established a charter. The OPM guidance recommends that an ERB charter include detailed information about the ERB's purpose, scope, and goals; an in-depth explanation of members' roles and responsibilities; a complete list of legally required and delegated functions; a methodology for scheduling and holding meetings; a description of the expected preparation of board members before holding meetings; and a list of the meeting documentation that the ERB should keep.

Instead of having a charter, ERB members referred to the May 19, 2017 single-page memorandum from Secretary Zinke as the ERB's founding document. The memorandum identified the ERB members and advisors and included a short paragraph explaining the ERB's responsibility to oversee the management of executive resources. It did not include most of the detailed information recommended by the OPM.

### **ERB Membership**

The ERB responsible for making the reassignment decisions included six voting members, all of whom were political appointees (see Figure 3). The OPM guidance recommends that an ERB include a mix of both political and SES appointees and both career and noncareer appointees "to provide continuity, institutional memory, and a balanced perspective."

<b>Appointee Title</b>	<b>Political or Career Appointee</b>	<b>Role on ERB</b>
Associate Deputy Secretary	Political	Chairperson
Chief of Staff	Political	Member
Principal Deputy Solicitor	Political	Member
Principal Deputy Assistant Secretary – Policy, Management, and Budget	Political	Member
White House Senior Advisor	Political	Member
White House Liaison	Political	Member
Deputy Assistant Secretary – Human Capital and Diversity/Chief Human Capital Officer	Career	Advisor

Figure 3. ERB members and advisors as of May 19, 2017.

During our review, DOI leadership modified the ERB membership by adding two career senior executives in November 2017.

### **No Documentation**

The ERB did not maintain meeting minutes, notes, voting or decision records, or any documentation of its activities other than poster boards. The OPM guidance states that an ERB should have a secretary whose responsibilities may include developing meeting agendas, documenting meeting attendance, and recording meeting minutes. The ERB had no designated secretary. Furthermore, no ERB member or advisor could provide us with any documentation from any board meeting, to include meeting minutes and voting or decision records.

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# Conclusion and Recommendations

## Conclusion

The ERB reassigned 27 senior executives without a written plan or clear criteria, and without consulting with the departmental leadership who oversaw the affected senior executives or with the affected SES members.

With no documented action plan for the reassignments and inconsistent statements from the ERB regarding its rationale, we were prevented from making a clear determination whether or not the DOI met the legal requirements.

The ERB's failure to document its decisions and to adhere to OPM guidance on operating an ERB resulted in the perception by a majority of the affected SES members that the reassignments were prompted by political or punitive reasons, or were related to their proximity to retirement.

We make four recommendations that, if implemented, will improve the process for future reassignments.

## Recommendations

On April 3, 2018, we received the DOI's response to our draft report. The response, signed by the Deputy Secretary on March 30, 2018, is included as Appendix 5. The response did not specify whether the DOI concurred with the four recommendations, however, based on our review of the response and discussions with the Deputy Secretary, we consider recommendations 1, 3, and 4 resolved but not implemented. We consider recommendation 2 resolved and implemented. We will refer the recommendations to the Assistant Secretary for Policy, Management and Budget for tracking and implementation (see Appendix 6).

We recommend that the DOI:

1. Document a plan for reassigning senior executives to ensure accountability for transparent, economical, and efficient Government.

**OIG reply:** Resolved but not implemented.

2. Communicate with all affected senior executives and supervisors before issuing notifications of reassignment to maintain a transparent reassignment process and to gather the information needed to make informed decisions.

**OIG reply:** Resolved and implemented.

3. Estimate and plan for all costs associated with geographic moves.

**OIG reply:** Resolved but not implemented.

4. Implement the guidance outlined in the OPM's September 9, 2009 memorandum for establishing an ERB, to include developing a formal charter detailing the roles and responsibilities of all members; including a mix of political, nonpolitical, career, and noncareer members; and requiring appropriate documentation.

**OIG reply:** Resolved but not implemented.



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# Appendix I: Scope and Methodology

## Scope

We evaluated the process the U.S. Department of the Interior (DOI) used to reassign senior executives between June 15, 2017, and October 29, 2017.

## Methodology

We conducted our evaluation in accordance with the Quality Standards for Inspection and Evaluation as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions and recommendations.

To accomplish our objective, we:

- Reviewed relevant laws, regulations, policies, and procedures related to the creation and operations of the Senior Executive Service
- Reviewed the U.S. Office of Personnel Management (OPM) guidelines for Executive Resources Boards (ERBs)
- Interviewed current and former members of the ERB to understand how the ERB operated and made decisions
- Interviewed an advisor to the ERB and personnel from the Office of the Solicitor to determine their role in the proceedings of the ERB
- Interviewed 31 of the 35 affected senior executives to understand how and when they were informed of their reassignment, whether they felt qualified for their new position, why they thought they were selected, how the reassignment was processed, and other information related to the reassignment
- Interviewed bureau directors and assistant secretaries, or those in acting roles of those positions, who were in place during the reassignment actions to determine if they were consulted before the reassignments were made
- Analyzed demographic and employment history data for senior executives who were affected and compared this data to all DOI senior executives
- Reviewed email records among key members of the ERB

- Reviewed data on relocation costs associated with SES members reassignments

We used data from DOI's Financial and Business Management System (FBMS) in conducting this evaluation. The controls over the FBMS are evaluated as part of the annual DOI financial statement audits conducted by KPMG with oversight by the Office of Inspector General. We believe that the data from this system is sufficiently reliable to complete our objective. We also used data from DOI's Federal Payroll and Personnel System (FPPS). KPMG also audits the controls over the FPPS annually.

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## **Appendix 2: 5 U.S. Code § 3131 - The Senior Executive Service**

Title 5 U.S.C. § 3131 established the Senior Executive Service to ensure that the executive management of the Federal Government responds to the needs, policies, and goals of the Nation and is of the highest quality. The Senior Executive Service shall be administered to:

1. Provide for a compensation system, including salaries, benefits, and incentives, and for other conditions of employment, designed to attract and retain highly competent senior executives
2. Ensure that compensation, retention, and tenure are contingent on executive success which is measured on the basis of individual and organizational performance (including such factors as improvements in efficiency, productivity, quality of work or service, cost efficiency, and timeliness of performance and success in meeting equal employment opportunity goals)
3. Assure that senior executives are accountable and responsible for the effectiveness and productivity of employees under them
4. Recognize exceptional accomplishment
5. Enable the head of an agency to reassign senior executives to best accomplish the agency's mission
6. Provide for severance pay, early retirement, and placement assistance for senior executives who are removed from the Senior Executive Service for nondisciplinary reasons
7. Protect senior executives from arbitrary or capricious actions
8. Provide for program continuity and policy advocacy in the management of public programs
9. Maintain a merit personnel system free of prohibited personnel practices
10. Ensure accountability for honest, economical, and efficient Government
11. Ensure compliance with all applicable civil service laws, rules, and regulations, including those related to equal employment opportunity, political activity, and conflicts of interest

12. Provide for the initial and continuing systematic development of highly competent senior executives
13. Provide for an executive system which is guided by the public interest and free from improper political interference
14. Appoint career executives to fill Senior Executive Service positions to the extent practicable, consistent with the effective and efficient implementation of agency policies and responsibilities

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## Appendix 3: 5 U.S. Code § 3395 - Reassignment and Transfer Within the Senior Executive Service

- (a) (1) A career appointee in an agency—
- (A) may, subject to paragraph (2) of this subsection, be reassigned to any Senior Executive Service position in the same agency for which the appointee is qualified; and
  - (B) may transfer to a Senior Executive Service position in another agency for which the appointee is qualified, with the approval of the agency to which the appointee transfers.
- (2) (A) Except as provided in subparagraph (B) of this paragraph, a career appointee may be reassigned to any Senior Executive Service position only if the career appointee receives written notice of the reassignment at least 15 days before the effective date of such reassignment.
- (B) (i) A career appointee may not be reassigned to a Senior Executive Service position outside the career appointee's commuting area unless—
    - (I) before providing notice under subclause (II) of this clause (or seeking or obtaining the consent of the career appointee under clause (ii) of this subparagraph to waive such notice), the agency consults with the career appointee on the reasons for, and the appointee's preferences with respect to, the proposed reassignment; and
    - (II) the career appointee receives written notice of the reassignment, including a statement of the reasons for the reassignment, at least 60 days before the effective date of the reassignment.
  - (ii) Notice of reassignment under clause (i)(II) of this subparagraph may be waived with the written consent of the career appointee involved.
- (b) (1) Notwithstanding section 3394(b) of this title, a limited emergency appointee may be reassigned to another Senior Executive Service position in the same agency established to meet a bona fide, unanticipated, urgent

need, except that the appointee may not serve in one or more positions in such agency under such appointment in excess of 18 months.

(2) Notwithstanding section 3394(b) of this title, a limited term appointee may be reassigned to another Senior Executive Service position in the same agency the duties of which will expire at the end of a term of 3 years or less, except that the appointee may not serve in one or more positions in the agency under such appointment in excess of 3 years.

(c) A limited term appointee or a limited emergency appointee may not be appointed to, or continue to hold, a position under such an appointment if, within the preceding 48 months, the individual has served more than 36 months, in the aggregate, under any combination of such types of appointment.

(d) A noncareer appointee in an agency—

(1) may be reassigned to any general position in the agency for which the appointee is qualified; and

(2) may transfer to a general position in another agency with the approval of the agency to which the appointee transfers.

(e) (1) Except as provided in paragraph (2) of this subsection, a career appointee in an agency may not be involuntarily reassigned—

(A) within 120 days after an appointment of the head of the agency; or

(B) within 120 days after the appointment in the agency of the career appointee's most immediate supervisor who—

(i) is a noncareer appointee; and

(ii) has the authority to make an initial appraisal of the career appointee's performance under subchapter II of chapter 43.

(2) Paragraph (1) of this subsection does not apply with respect to—

(A) any reassignment under section 4314(b)(3) of this title; or

(B) any disciplinary action initiated before an appointment referred to in paragraph (1) of this subsection.

(3) For the purpose of applying paragraph (1) to a career appointee, any days (not to exceed a total of 60) during which such career appointee is serving pursuant to a detail or other temporary assignment apart from such appointee's regular position shall not be counted in determining the number of days that have elapsed since an appointment referred to in subparagraph (A) or (B) of such paragraph.

## Appendix 4: Senior Executives' Perceptions of the Reasons For Reassignment Decisions

Interviewee	Reassigned for Political or Punitive Reasons	Reassigned for Prior Work or Area of Work	Conflict with DOI Leadership	Age or Retirement related	Neutral Opinion	Positive Perception of Reassignment
SES 1	X					
SES 2		X	X			
SES 3		X		X		
SES 4						X
SES 5	X			X		
SES 6	X	X	X	X		
SES 7					X	
SES 8		X				
SES 9	X		X	X		
SES 10	X	X				
SES 11		X				
SES 12					X	
SES 13						X
SES 14	X	X				
SES 15						X
SES 16	X	X	X	X		



<b>Interviewee</b>	<b>Reassigned for Political or Punitive Reasons</b>	<b>Reassigned for Prior Work or Area of Work</b>	<b>Conflict with DOI Leadership</b>	<b>Age or Retirement related</b>	<b>Neutral Opinion</b>	<b>Positive Perception of Reassignment</b>
SES 17						X
SES 18						X
SES 19				X		
SES 20		X	X			
SES 21				X		
SES 22		X	X			
SES 23	X					
SES 24	X	X	X			
SES 25	X	X				
SES 26					X	
SES 27						X
SES 28						X
SES 29			X			
SES 30					X	
SES 31						X
<b>Total</b>	<b>10</b>	<b>12</b>	<b>8</b>	<b>7</b>	<b>4</b>	<b>8</b>

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## **Appendix 5: Response to Draft Report**

The Deputy Secretary's response to our draft report follows on page 23.

See the "Recommendations" section on page 11 for discussion of actions taken to address this response.




THE DEPUTY SECRETARY OF THE INTERIOR  
WASHINGTON

MAR 30 2018

Memorandum

To: Mary L. Kendall  
Deputy Inspector General

From: David L. Bernhard   
Deputy Secretary

Subject: Response to the Office of the Inspector General Draft Evaluation Report  
No. 2017-ER-061

This memorandum responds to Office of the Inspector General (OIG) Draft Evaluation Report – No. 2017-ER-061 dated February 23, 2018 (Draft Evaluation).

I sincerely appreciate your providing me a copy of the Draft Evaluation and the recommendations contained within it to review, as well as the opportunity to visit with you and its drafters on March 16, 2018. Since I arrived at the Department in August, I have been continually stunned at the number of offices and functions within the Department that have consistently avoided adopting and implementing long-established best practices on a multitude of fronts.

Here, as reflected in the Draft Evaluation, the Office of Personnel Management (OPM) developed best practice guidelines for Executive Resources Boards (ERB) on September 9, 2009. Yet, neither your Draft Evaluation nor my own review of the situation demonstrates any meaningful effort to adopt or fully implement these guidelines between September 9, 2009, and when I became Chair of the ERB.

While I cannot begin to guess why the recommendation to adopt the guidelines was either rejected or simply ignored between September 9, 2009, and January 20, 2017, I do believe delays in confirming key presidentially nominated, Senate confirmed officers, including the Deputy Secretary, Solicitor, and Assistant Secretary–Policy, Management and Budget, since January 20, 2017, means that there are fewer principal officers to carefully evaluate existing practices and drive improvements within the Department.

After reviewing the Draft Evaluation, I continue to believe the actions taken by the ERB and covered in the Draft Evaluation are lawful. As you note in the Draft Evaluation, the best practices identified by OPM in September 2009, are “not required by law.” Nevertheless, the Secretary and I concluded that the ERB could benefit from incorporating best practices and improving its business process. This is why, as ERB Chair, I took a number of actions to drive such improvements. For example:

- I requested that the Secretary restructure the ERB to include a mix of career and noncareer SES employees. It was reconstituted accordingly on November 1, 2017;
- I met with experts from OPM to identify better practices of accountability;
- I communicated to all SES employees within the Department on December 4, 2017, that it is clear based on my discussions with OPM experts and my review of various legal authorities about managing executive resources (such as the Civil Service Reform Act of 1978, Pub. L. No. 95-454, § 402, 92 Stat. 1111 (1978) and the Obama Administration’s Executive Order 13714 on “Strengthening the Senior Executive Service” (Dec. 15, 2015)) that reassigning SES employees is a valuable management practice for strengthening SES development;
- I also communicated to all SES employees within the Department on December 4, 2017, that my plan going forward is premised upon the idea that we can bring new leadership perspectives to our operations and achieve greater cross-bureau collaboration and innovation by rotating SES members from bureaus to headquarters, from headquarters to the field, and across different functional areas and disciplines. In addition, I explained that I would seek to strike a balance between leadership continuity and achieving fresh perspective by reassigning SES employees across bureaus and offices; and
- I instructed the Acting Deputy Assistant Secretary for Human Capital and Diversity and Chief Human Capital Officer on the first day of his detail from the Office of the Solicitor on January 29, 2018, to present me with a proposal for best practices for managing SES reassignments. As currently constituted, this proposal will (1) foster improvements for greater transparency in communications with SES employees, their managers, and senior leaders about possible reassignments and (2) ensure that bureaus and offices have appropriately planned for the costs of reassignments that involve geographic relocations.

Finally, I directed that a draft charter be developed for the ERB. The draft charter draws on OPM best-practice recommendations. I anticipate a charter will be adopted at the next ERB meeting.

I appreciate the opportunity to review the Draft Evaluation. The management of executive resources is an important responsibility. Consistent with our plan, I have communicated to our SES employees that we will continue to use SES reassignments robustly as a management tool.

Going forward, we are incorporating and implementing best practices on a multitude of initiatives within the Department, including within the practices of the ERB.

cc: ERB Members  
Acting Deputy Assistant Secretary for Human Capital and Diversity

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## Appendix 6: Status of Recommendations

Recommendation	Status	Action Required
1, 3, 4	Resolved but not implemented	We will refer these recommendations to the Assistant Secretary for Policy, Management and Budget (PMB) to track implementation and request that the Deputy Secretary provide the PMB with support for implementation of these recommendations.
2	Resolved and implemented	No further action is required.

