

ORGANIZATIONAL ASSESSMENT AND IMPROVEMENT (OAI) PROGRAM

1. REASON FOR ISSUE: To establish policy for the administration of a program that assesses the performance and organizational health of national cemeteries, district offices, and central office components.

2. SUMMARY OF CONTENTS: This new directive establishes:

a. Policy and responsibilities for the National Cemetery Administration (NCA) Organizational Assessment and Improvement (OAI) program which assesses performance and organizational health of national cemeteries, district offices, and central office components;

b. OAI elements to include: Baldrige Performance Excellence Framework, Improvement Projects, Office of the Inspector General (OIG) and Government Accountability Office (GAO) open recommendations, Internal Controls Assessment Tool (ICAT), and Operational Standards and Measures for cemeteries, or Performance Scorecards for district offices and central office components;

c. Responsibilities and requirements affecting all assessable unit managers, which include annual OAI self-assessments, periodic third-party site assessments, developing and implementing internal controls, and identifying opportunities for corrective actions and improvements.

3. RESPONSIBLE OFFICE: NCA, Improvement and Compliance Service (ICS) (42D), 810 Vermont Avenue, NW, Washington, D.C. 20420, is responsible for the material contained in this directive. Questions may be referred to the Director, ICS.

4. RELATED PUBLICATION: NCA Directive 3000 Operational Standards for VA National Cemeteries (January 5, 2010).

5. RESCISSION: 41A Policy Memo, Steps to Take After Receipt of OAI Site Visit (November 9, 2012).

6. RECERTIFICATION: This directive is scheduled for recertification not later than the last day of September 2026.

/s/
Ronald E. Walters
Principal Deputy Under Secretary for Memorial
Affairs

Distribution: Electronic

ORGANIZATIONAL ASSESSMENT AND IMPROVEMENT (OAI)

1. PURPOSE AND SCOPE:

a. This directive establishes policy and responsibilities for the National Cemetery Administration (NCA) Organizational Assessment and Improvement (OAI) program. OAI procedures and specific information are contained in related OAI Guides, Volume 1 for cemetery directors and Volume 2 for managers (non-cemetery). The purpose of the OAI program is to establish a standard process to assess performance and organizational health of national cemeteries, district offices, and central office components;

b. OAI serves as the principal means for risk management, providing for internal controls, continuous improvement, and accountability throughout NCA by providing a defined set of quantifiable standards and performance metrics that inform NCA and support the VA required Annual Statement of Assurance for NCA;

c. OAI includes annual self-assessments for cemetery directors, managers, and others, periodic site-visit reviews of operational standards and measures (cemetery), internal controls (financial and operational), performance scorecards (non-cemetery managers), and Baldrige Excellence Framework for leadership attributes which are detailed in the OAI Guides.

2. POLICY:

a. It is NCA policy to maintain a standardized, comprehensive, and effective assessment and improvement program that continually builds upon the many outstanding accomplishments NCA has achieved on behalf of Veterans and their families;

b. Directors, managers and supervisors at all levels in the field and in central office are responsible for completing annual self-assessments and participating in periodic third-party reviews, which are detailed in the OAI Guides in related standards and controls, Volume 1 for cemetery directors and Volume 2 for managers (district and central office components).

c. NCA will periodically review and update operational standards and measures, as well as, other OAI elements that apply across NCA programs.

3. BACKGROUND: The OAI program (which consists of the Baldrige Performance Excellence Framework, Improvement Projects, OIG and GAO recommendations, ICAT, Operational Standards and Measures for cemeteries, and Performance Scorecards for non-cemetery programs) supports the annual Statement of Assurance.

4. RESPONSIBILITIES:

a. **Under Secretary for Memorial Affairs (USMA)** is responsible for approving and signing annual Final Validation/Statement of Assurance.

b. **Principal Deputy Under Secretary for Memorial Affairs (PDUSMA)** is responsible for:

- (1) Approving and signing annual Interim Statement of Assurance;
- (2) Reviewing subordinate NCA Senior Executive Service Statements of Assurance.

c. **Deputy Under Secretary for Finance and Planning** is responsible for oversight of the OAI program including Improvement and Compliance Service (ICS) administration of the program and the ICS-led team of independent reviewers that perform third-party assessments.

d. **Director, Improvement and Compliance Service (ICS)** is responsible for:

- (1) Managing and administering the OAI program;
- (2) Performing periodic third-party site reviews, including the multiple preparatory and post review actions listed in OAI Guides Volumes 1 and 2;
- (3) Maintaining and posting current OAI Guides and providing annual briefing on updates for self-assessment purposes and training to new and returning review team members;
- (4) Drafting the NCA-wide Internal Controls Assessment Tool (ICAT) by evaluating the previous submission, the current NCA Risk Register and Profile, and lower level OAI self-assessment results;
- (5) Drafting the NCA-wide Final Statement of Assurance for USMA signature and Interim Statements of Assurance for PDUSMA signature;
- (6) Submitting NCA-wide ICAT to the VA Office of Business Oversight;
- (7) Monitoring the NCA Action Planning SharePoint Site for corrective action plans.

e. **NCA Deputy Under Secretaries** are responsible for:

- (1) Reviewing subordinate NCA Senior Executive Service Statements of Assurance;
- (2) Reviewing OAI site assessments of facilities under their jurisdiction including national cemeteries, district offices, and central office services and programs;
- (3) Ensuring the completion of annual OAI self-assessments of facilities under their jurisdiction including national cemeteries, district offices, and central office components;
- (4) Providing ICS with Interim and Validation Statements of Assurance for components under their jurisdiction.

f. **Executive Directors (central office) and the Chief of Staff** are responsible for:

(1) Reviewing and approving all OAI site assessments of components under their jurisdiction;

(2) Monitoring the completion of annual OAI self-assessments of components under their jurisdiction;

(3) Monitoring completion of action plan items developed to address deficiencies identified in the OAI self-assessments;

(4) Providing ICS with Interim Statements of Assurance for components under their jurisdiction;

(5) Determining and approving the need for one overall self-assessment or requiring multiple assessments for multiple components within their jurisdiction;

(6) Reviewing and approving action plans, developed by assessable unit managers under their jurisdiction, to ensure they sufficiently address deficiencies and provide proper corrective action.

g. **District Executive Directors** are responsible for:

(1) Reviewing and approving all OAI site assessments of facilities under their jurisdiction;

(2) Monitoring the completion of annual OAI self-assessments of facilities under their jurisdiction;

(3) Monitoring completion of action plan items developed to address deficiencies identified in the OAI self-assessments;

(4) Providing ICS with Interim Statements of Assurance for components under their jurisdiction;

(5) Determining and approving the need for one overall self-assessment or requiring multiple assessments for multiple sites within their jurisdiction;

(6) Reviewing and approving action plans, developed by assessable unit managers under their jurisdiction, to ensure they sufficiently address deficiencies and provide proper corrective action.

h. **Assessable Unit Managers** (including service directors, cemetery directors, and other managers as identified by senior leaders) are responsible for:

(1) Completing annual OAI Self-Assessments:

(i) Non-cemetery managers must complete Performance Scorecards and all other OAI program elements of the OAI self-assessment, which are monitored by Executive Directors (central office) or the Chief of Staff ; and,

(ii) Cemetery Directors must complete standards and measures and all other OAI program elements of the OAI self-assessment, which are monitored by District Executive Directors;

(2) Developing, implementing, and completing action plans to address deficiencies identified in the OAI Self-Assessment;

(3) Developing, implementing, and completing action plans to address all findings of an OAI site review;

(4) Participating, as needed, to provide input to the NCA-wide ICAT.

5. REFERENCES:

- a. OAI Guide Vol 1, Cemetery Director (For internal VA employee use only);
- b. OAI Guide Vol 2, Managers (non-cemetery) (For internal VA employee use only);
- c. National Cemetery Administration, National Shrine Commitment, Operational Standards and Measures Guidebook, February 2021.

6. DEFINITIONS: The definitions below relate to terms used in this directive. For a complete list of OAI-related definitions, please refer to OAI Guides, Volumes 1 and 2, Glossary of Key Terms.

a. **ASSESSABLE UNIT** – A function, directorate or unit identified by senior leadership required to submit an annual Statement of Assurance to a department of the federal government.

b. **ASSESSABLE UNIT MANAGER** – A manager or leader of a function or unit identified by senior leadership within an organization required to submit an annual Statement of Assurance to a department of the federal government.

c. **BALDRIGE EXCELLENCE FRAMEWORK** – An official publication of U.S. Department of Commerce, National Institute of Standards and Technology that sets out a systems approach to managing organizations for high performance that provides guidelines and criteria to measure success, excellence, quality, and improvements in various categories for business, industrial, governmental, and other organizations. (see the following publicly accessible link: <https://www.nist.gov/baldrige>).

d. **FINAL VALIDATION/STATEMENT OF ASSURANCE** – Confirmation at the end of the fiscal year of no significant change in status since the Interim Statement of Assurance was submitted, or a description of reportable subsequent events, such as a new material weakness and the resulting impact on the final Statement of Assurance.

e. **INTERNAL CONTROLS ASSESSMENT TOOL (ICAT)**--Two sets of custom NCA controls used by assessable unit managers throughout NCA to assess the effectiveness of internal controls against the standard Control Components identified by Office of Management and Budget (OMB). NCA-wide ICAT is the administration's system of controls and supporting documentation used to assess the effectiveness of NCA internal controls against the standard Control Components identified by the Office of Management and Budget (OMB).

f. **INTERNAL CONTROLS** – Processes and systems to ensure (1) effective and efficient operations, (2) compliance with applicable laws and regulations, and (3) reliable financial reporting to minimize fraud, waste, and abuse in accordance to objectives found in OMB guidance at the following publicly accessible link: [Federal Managers Financial Integrity Act of 1982 \(FMFIA\) and Office of Management and Budget \(OMB\) Circular A 123, Management's Responsibility for Enterprise Risk Management and Internal Control](#)

g. **INTERIM STATEMENT OF ASSURANCE** – A full assessment of financial and operational controls within NCA, addressing the time period October 1 through May 31. This assessment includes all components and principles described in the Government Accountability Office publication, Standards for Internal Control in the Federal Government, known as the Green Book.

h. **PERFORMANCE SCORECARDS** – Management tool used to monitor, quantify, and manage key product and service performance characteristics of a non-cemetery assessable unit manager's area of responsibility.

i. **STATEMENT OF ASSURANCE** – NCA is required to submit an annual Statement of Assurance to the Department. OAI and other documents and statements are used to support the NCA Statement.

j. **STANDARDS AND MEASURES** – NCA standards approved by the Under Secretary for Memorial Affairs for performance in key cemetery operational areas.