



ARMED FORCES RETIREMENT HOME Strategic Plan 2021-2023

JULY 2021

Agency Overview

Mission

To fulfill our Nation's commitment to its veterans by providing premier retirement communities with exceptional care and extensive services.

Vision

Retirement communities committed to excellence, fostering independence, vitality and wellness for veterans, making vibrant places in which to live, work and thrive.

Snapshot

The Armed Forces Retirement Home (AFRH) is an independent establishment in the Executive Branch of the Federal Government, the purpose of which is to provide residences and related services for certain former members of the Armed Forces. While today's organization was formed by Congress in 1991 as the only continuing care retirement community (CCRC) operated by the Federal Government, AFRH's mission began in the 19th century. The Armed Forces Retirement Home Act of 1991 merged two storied institutions under one corporate organization: the U.S. Soldier's and Airmen's Home in Washington, D.C. established in 1851, and the U.S. Naval Home in Gulfport, Mississippi, originally established in Philadelphia, Pennsylvania in 1834.

Currently AFRH can accommodate more than 1,100 veterans at its two locations. Veterans eligible to become residents include those who spent the majority of their military service in enlisted, warrant officer, or limited duty officer ranks. Other eligibility requirements as specified in law include a combination of service time, service-connected disability, and combat zone, women's component, and honorable service¹. AFRH continues to evaluate eligibility requirements to better support the total military force, and recent changes in legislation have expanded eligibility to accompanying spouses and retired members of the National Guard and Reserves. The Home is also looking for flexibility to house transitioning wounded warriors and Gold Star families.

Veterans enter AFRH in independent living with access to a continuum of care as their health needs require: independent living plus, assisted living, long term care, and memory support. Residents are admitted regardless of their assets or income. Each resident pays a monthly fee determined annually based on a maximum amount for each level of care or a percentage of their gross income, whichever is less. Most residents pay significantly less than it costs AFRH to deliver all-inclusive services: a private room and bath, meals, on-site wellness clinic with primary medical and dental care as well as certain specialty providers, a wealth of physical and social activities, local transportation, and many other amenities. Residents of the Washington campus enjoy hilltop views of the capital city on 272 acres of rolling landscape while Gulfport residents enjoy a waterfront location with direct beach access on the Mississippi Sound.

¹ Title 24, United States Code, section 413

Funding

AFRH is financed by a trust fund in the U.S. Treasury. Congress approves an annual budget through the appropriations process, though unspent funds do not expire and remain in the trust fund for later use. Dedicated income sources include resident fees, a monthly payroll deduction as well as disciplinary fines and forfeitures from active duty enlisted ranks, interest on trust fund balances, rental income from real property leases which will be an increasingly significant source of revenue, as well as gifts and donations.

In recent years, and on numerous occasions throughout the Home's history, the income from these sources has not been sufficient to cover the Home's expenditures, forcing withdrawals from trust fund balances and appropriated support from the General Fund of the Treasury in fiscal years since 2016. This occurred due to AFRH's largest revenue stream, fines and forfeitures, declining 46 percent between fiscal years 2009 and 2016; active duty withholding declining 7 percent following reductions in active-duty forces; trust fund interest income declining over 90 percent; and facility construction. While the trust fund balance has been increasing in recent years, AFRH must continue its focus on generating additional revenue and finding new and improved ways to do business to create a sustainable path for the future of the Home and the mission it serves.

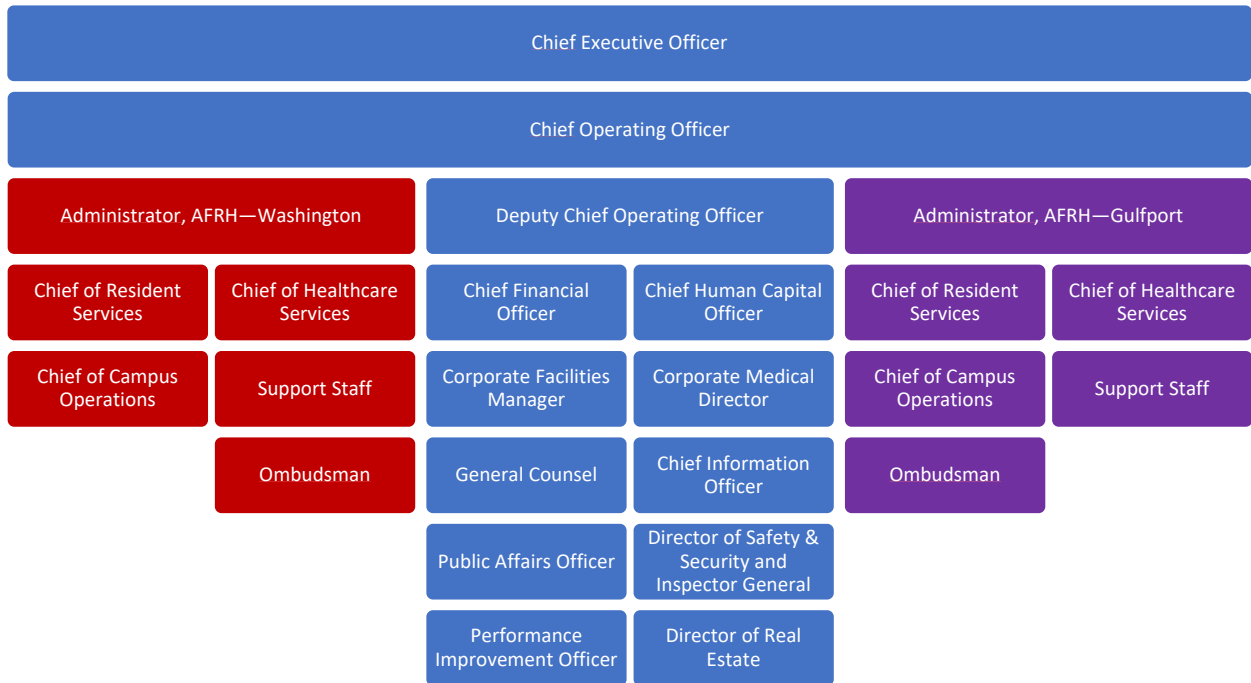
Organization

AFRH's organizational structure and oversight is unique in the Federal Government. While it is an independent agency, AFRH leadership and administration is overseen by the Secretary of Defense. The Deputy Director of the Defense Health Agency is dual-hatted as AFRH Senior Medical Advisor to advise the Home on medical care and coordination of services with the departments of defense and veterans affairs. In addition, all services to residents are accredited by nationally recognized civilian accrediting organizations including The Joint Commission (TJC) and the Commission for Accreditation of Rehabilitation Facilities (CARF). Financial, systems, and acquisition activities are subject to independent annual audit, as well as Government Accountability Office and Office of Management and Budget compliance requirements.

The Secretary of Defense's oversight responsibilities are delegated to the Director of Administration and Management and Director of Washington Headquarters Services, and exercised day-to-day by the AFRH Chief Executive Officer (CEO), a Department of Defense executive. The CEO appoints key AFRH officials including the Chief Operating Officer (COO) who serves as the AFRH agency head, as well as the administrator and ombudsman for each campus.

The agency headquarters is located in Washington and consists of a small corporate staff to manage common agency functions and services. Each of the two campuses has an identical department structure and similar staff profile.

Organizational Chart



Vision 2035

AFRH recognizes that leveraging and managing our assets to best advance our mission is equally vital as we work to restore the trust fund's solvency and sustainability. Deferred maintenance, historic preservation, and the high cost and long lead times associated with building, operating, and maintaining real property and equipment all pose significant risk to AFRH's future. A long view is necessary, so AFRH is setting its sights on 2035 to address our aging and outdated infrastructure and to accommodate shifting industry trends and generational life preferences. To that end, we believe the following elements should form the core of AFRH by 2035:

Multigenerational communities of veterans

Since its roots in the 19th century, AFRH has served veterans too injured or ill to live on their own, and we pride ourselves on providing best-in-class care to our residents for the rest of their lives. A central piece of AFRH's mission in the past was to provide support for veterans leaving the military or encountering difficulty thriving in civilian life. We believe the AFRH campuses of 2035 must be generationally diverse with a range of services and living environments attractive to all ages of veterans.

Dynamic living environments

Many potential residents are deterred by the institutional look and feel of our facilities. This is not unique to AFRH, as private sector communities across the country have moved toward decentralized individual living units but with the amenities of a campus setting. AFRH campuses offer a wealth of opportunity and space to experiment with state-of-the-industry concepts and amenities, and we should leverage those opportunities to develop competitive offerings particularly in:

- Diversity of residence types and styles
- Choices for dining and self-catering
- Whole-person amenities, activities, and services

Local and geographic expansion

Both of our campuses offer space for expansion to include new buildings or additions to expand our capacity to serve more enlisted veterans. We are limited by the historic status of our Washington campus and the smaller size of our Gulfport campus, but our greatest limitation is geographic. Veterans prefer to live near family and friends and are more likely to choose communities close to places they know and people they love. According to the Department of Veterans Affairs, the top five states for veteran population are the same as those for total population: California, Texas, Florida, New York, and Pennsylvania. There are four states with veteran populations of 9 percent: Alaska, Maine, Montana, and Virginia; and 13 states with veteran populations of 8 percent. Our goal from now until 2035 is to evaluate our existing geographic footprint and determine the best opportunities for enhancement and expansion.

Of primary focus for this long view is the 272-acre Washington, DC campus. While our 80-acre mixed use redevelopment effort will soon begin to offer exciting new amenities, services, and open spaces to AFRH and D.C. residents alike, the remaining 192 acres must continue to serve our mission, add value to our services, and attract future residents. The Washington campus has many challenges, however the most significant for its long-term viability is the primary independent living residential facility. AFRH will

implement asset management practices to align mission, leadership, organization, data, decisions, evaluation, and monitoring, all with the objective of maximizing asset value. Using leading asset management practices and standards-based data, AFRH will plan for the replacement of the independent living facility through creative land use, restoration of an historic building for apartments, and new development.

Strategic Goals 2021-2023

This is a short-term three-year plan focused on actions to continue AFRH on course for a solid and sustainable future. It is not an agency strategic plan as defined by 5 USC 306 or OMB Circular A-11, which would encompass a four-year administration and include government-wide goals following prescribed formats and requirements.

Strategic goals are a framework for thinking about problems, setting priorities, and making decisions. They help answer the question: where are we going? Objectives map how we get there. These goals and objectives are agency-wide priorities for the next three years. Corporate and campus divisions will craft business plans that further define and add to these priorities within the context of their individual missions. A strategic plan should not be a self-fulfilling prophecy, but rather a living framework that adapts to evolving circumstances. To that end, AFRH leadership will revisit the plan each year to take stock and revise goals and objectives as appropriate.

Strategic Goal 1 – Quality Care First and Always

This goal affirms that AFRH’s core mission is to care for veterans in need. It is our legacy, our reason for being, and the lens for looking to and charting our future. It is the foundation to continue to build and refine answers to fundamental questions about who we serve and what we offer.

Strategic Questions

- Are we reaching veterans who need our services?
- What needs are we filling?

Goal 1 Objectives 2021-2023

Achieve an occupancy rate of 90 percent or better

Empty rooms are a wasted opportunity to serve veterans in need, lost revenue, and a sunk cost to maintain unused facilities. If AFRH is providing a valuable in-demand service then all rooms should be full. If they are not, eligibility criteria are too limited, the quality of our facilities and programs need improvement, or eligible veterans are not being reached. AFRH is a unique organization with a focused mission, but many of our services are comparable to private sector offerings. Therefore, in pursuing this objective we must be attuned to competitive market dynamics.

Initiatives

Broaden outreach to attract new residents

Currently 85 percent of AFRH residents are military retirees with over 20 years of active-duty service. The average age of residents is 84.5 years and 89 percent are male. Veterans eligible because of injury, disease, or disability are underrepresented because governing law had limited eligibility to economic factors. In late 2018, Congress changed the law to allow AFRH to admit spouses with eligible residents, eliminate economic factors as a sole determinant for admission, and create a pathway to admission for veterans with mental health or substance abuse issues who were previously excluded. In late 2020, Congress again broadened eligibility to retired members of the National Guard and Reserves and to eliminate the

minimum age 60+ requirement. While the Coronavirus Pandemic closed off admissions for much of 2020 and beginning of 2021, with these eligibility expansions and additional operational funding approved for fiscal year 2021, AFRH must work aggressively to expand outreach efforts and attract new residents.

Attract couples

The AFRH mission has been and will continue to be serving enlisted veterans when they need our care. Most veterans enter AFRH at an advanced age after a spouse has passed away. We believe it will enhance our community if we can admit spouses together with their eligible veteran when space is available. In 2018 Congress allowed spouses to be admitted with their eligible veteran. AFRH developed an initial fee structure and policies which it has been market testing and revising. In addition to determining appropriate fees and admissions processes, AFRH has also been developing room conversions on its Washington campus to accommodate couples. Room conversions will occur gradually between 2021 and 2023.

Modernize residential facilities

Over 80 percent of AFRH-Washington residents live in the Sheridan Building which was originally constructed in the 1960s with the last significant facelift completed in the early 1990s. Rooms are designed for single occupants and are smaller than average rooms in the lowest quartile for retirement communities nationwide.

AVERAGE UNIT SIZE (PER SQUARE FOOT) OF CONTINUING CARE RETIREMENT COMMUNITIES			
AFRH Sheridan Bldg.	National Lower Quartile	National Median	National Upper Quartile
272	434	750	1,439

o Source: *The State of Seniors Housing, 2019*; American Seniors Housing Association

AFRH engaged an architecture and engineering firm to redesign a 75-room independent living floor of the Sheridan Building to modern standards and increase per-unit square footage by extending usable floor area to enclose the existing balconies which were damaged and unusable since a 2011 earthquake. Their proposed design would yield 50 rooms, averaging 561 square feet and ranging from 400 to 730 square feet, and capacity ranging from 50 single occupancy to 90 double occupancy to accommodate couples. The scope of work would include demolition and renovation, enclosure of the balconies, and modernized HVAC, mechanical, and electrical systems. Phased renovation of floors while the building remains open and occupied will likely take three to four years. This project, together with the roof and elevator replacement projects already funded, would fully address an estimated \$23 million in deferred maintenance for the Sheridan Building and provide a modernized building suitable for current and future residents.

Ensure the admissions process is applicant-centered

AFRH has unique eligibility requirements and a duty to ensure laws are followed, new residents are set up for a successful experience, and our communities remain vibrant places to live. Veterans, before and after admission, come to AFRH with complex needs so the process necessarily involves considerable time and energy from both the applicant and AFRH. Along with our dedication to Resident-Centered Care, we must continually improve our admissions process to make it applicant-centered by gearing the process to understand the whole person and their needs while eliminating burdensome requirements and lengthy timelines.

Organize healthcare services for optimum potential

One-third of AFRH expenses, approximately \$21 million per year, fund healthcare services for our residents. Although all residents are eligible for health benefit programs including TRICARE, VA, Medicare, and Medicaid, as a federal agency AFRH cannot currently obtain payment from these programs for medical services performed on-site. AFRH will continue to pursue legislative changes necessary to receive program payments and will consider streamlining services to ensure a sustainable financial model, especially in light of increasing medical costs.

Initiatives

Begin coding healthcare interactions

Private sector retirement communities and healthcare providers are intimately familiar with coding processes as these requirements are essential to obtain a significant portion of revenue from health benefit programs. Since AFRH is not currently eligible for these payments, our systems and processes are not geared to collect this data. Making the case for reimbursement, and actually obtaining funds if authorized, will require data on resident healthcare interactions. AFRH will leverage resources and expertise with DOD and other federal partners to begin coding on-site healthcare services and analyzing data collected. Changes to information systems, staffing, and processes will be required as will resources to ensure the effort's success.

Ensure staffing is right-sized, professionally diverse, and meets resident needs

AFRH competes for quality healthcare professionals, and healthcare services make up a significant portion of AFRH operations and are the key factor in our ability to remain accredited by third-parties. Aligning with health benefit programs means following stringent requirements on provider types and qualifications, patient-to-provider ratios, and many other factors so that services are allowable. AFRH does not currently have a skilled nursing facility or capacity to handle sub-acute care, representing a significant gap in our services which forces residents to leave our facilities when they need this care. Taking all these concerns into account, we must continually assess and modify our healthcare staffing, policies, and systems to ensure best-in-class healthcare services for our residents and efficient use of vital resources.

Strategic Goal 2 – Stewardship at Our Core

This goal reminds us that we are caretakers responsible for decisions now that will determine how AFRH will exist for veterans in the future. We are guardians for veterans who have come to AFRH as residents, made it their home, and whose health and welfare depends on us. We are trustees for active duty servicemembers whose pay supports veterans in need today with the expectation that AFRH will be there for them if they need us later. We are custodians of a true National treasure, continuing an illustrious history while preserving AFRH's legacy. We are stewards for taxpayers who come to our aid when we need it, with the promise their resources will be responsibly used because our mission is so vital.

Strategic Questions

- Are we making the best use of limited resources?
- Who and what are we investing in, and when?

Goal 2 Objectives 2021-2023

Manage assets productively

Underutilized real property incurs ongoing maintenance expenses without offsetting revenue. With 272 acres of prime real estate in the Nation's capital and 40 acres of beachfront real estate in Gulfport, our campuses are extraordinary asset which will be the keystone in building AFRH's long-term fiscal solvency. These assets will require dedicated focus and resources to catch up on critical maintenance, as well as long-term vision and planning to evolve them for future needs.

Initiatives

Develop a strategic asset management plan

A strategic asset management plan initiated in fiscal year 2020 will be a planning tool to clarify intentions, priorities, and practices to be adopted. It will take a long-term view, considering our Vision 2035 outlined earlier, and consider the combination of organization needs, stakeholder expectations, and the realities of existing assets and asset management capabilities. It will guide and constrain AFRH's decisions pertaining to natural and built assets. By 2022 AFRH will implement asset management practices consistent with the International Organization for Standardization ISO 55000 series to align mission, leadership, organization, data, decisions, evaluation, and monitoring, all with the objective of maximizing asset value. Using ISO 55000 practices and standards-based data, the AFRH will plan for the replacement of the independent living facility through creative land use, restoration of an historic building for apartments, and new development.

Complete critical capital investment projects and continue to evolve capital investment planning

Outdated and deteriorating facilities have a negative effect on AFRH's ability to attract and retain residents and low occupancy levels exacerbate AFRH's financial problems by reducing fee income and driving higher fixed costs per resident. Without continued investment, this backlog will threaten our operations and force more expensive replacements in future years.

Between FY 2015 and FY 2019, AFRH operated with a \$1,000,000 annual budget for capital construction and renovation. The balance sheet acquisition value of our property, plant, and equipment was \$399 million at the end of FY 2019, minus \$94 million accumulated amortization/depreciation. This equated to a capital expenditure ratio of only 0.25% and \$889 per available unit. By comparison, a 2019 senior living

industry report showed nationwide average per unit capital expenditures of \$8,465 for continuing care retirement communities.²

In fiscal years 2020 and 2021, Congress authorized a combined \$21 million for projects supporting mission-critical replacement needs on the Washington campus:

- 1950s-1960s electrical infrastructure
- 1930s-1950s water and sewer infrastructure
- Sheridan Building roof which supplies 89% of our resident room capacity
- Original 1960s elevators in the Sheridan Building and Stanley Chapel
- Chillers and water pumps

While the Washington campus requires the bulk of resources due to its age, after a decade in service the Gulfport facility will require increased investment in the coming years. Saltwater corrosion reduces the life expectancy of many systems, requiring more frequent maintenance and earlier replacement. The following are priority projects during the FY 2022-2024 timeframe:

2022-2024 PRIORITY MAINTENANCE PROJECTS		
Campus	Project Description	Estimate
Gulfport	Replace primary and backup generators impacted by lightning, hurricane, and saltwater damage	\$ 6,000,000
Washington	Repair masonry on historic buildings causing water infiltration and energy loss	4,000,000
Washington	Address emergency egress, ADA accessibility, lighting, plumbing, and mechanical systems of historic Rose and Stanley chapels	2,400,000
Both	Replace aging and problematic Gulfport keyless access system, integrate Washington onto same system	2,000,000
Washington	Replace 1950s-1970s fire pump and sprinkler systems to meet current volume and pressure standards	2,000,000
Washington	Modernize 40–50-year-old HVAC systems, reduce energy use	1,950,000
Washington	Repair buildings housing electrical converter and substation	1,850,000
Gulfport	Replace chiller due to reduced useful life, salt corrosion	1,600,000
Washington	Replace remaining 1950s-1970s elevators	1,000,000
Washington	Repair and replace slate roofs on historic buildings	600,000
Gulfport	Replace boilers due to salt corrosion	500,000
Both	Replace outdated and malfunctioning emergency alert system	450,000
Both	Computer and network systems upgrades and replacements	300,000
	TOTAL	\$ 24,650,000

Beyond these critical investments, we aim to keep \$750,000 to \$1 million in capital funding set aside for emergency reserves. This level of reserves was critical in FY 2021 to fund over \$500,000 in emergency repairs to the Gulfport facility following Hurricane Zeta and repairs to chillers at both campuses due to equipment failures. While new two-year availability of operating funds was approved beginning in FY

² “Actual vs. Budgeted Capital Expenditures Per Available Unit by Property Type”, *State of Seniors Housing 2019*, American Seniors Housing Association.

2021, reserves will continue to be a vital source of funds to address urgent capital expenditures to sustain operations.

Execute a ground lease on the AFRH-Washington development zone

In the making for over a decade, the now 80-acre Washington campus development zone represents AFRH's greatest long-term opportunity to generate significant new ongoing revenue. Since the first attempt at development was aborted due to the 2008 economic downturn, the neighborhoods surrounding the campus have experienced continuous revitalization. In May 2018 AFRH, through General Services Administration, issued a request for proposals with submissions due late September 2018. AFRH placed new emphasis on upfront and early-stage income as well as integration with the entire campus and surrounding community. A lead developer was selected in August 2019, and in 2020 a new agreement was reached among AFRH, the National Capital Planning Commission, and the Government of the District of Columbia which will govern land use planning and entitlements for the project. With this critical agreement in place, AFRH is in discussions with the development team on proposed amendments to the master plan, with the goal of having amendments approved in late 2021 and a ground lease executed in 2022.

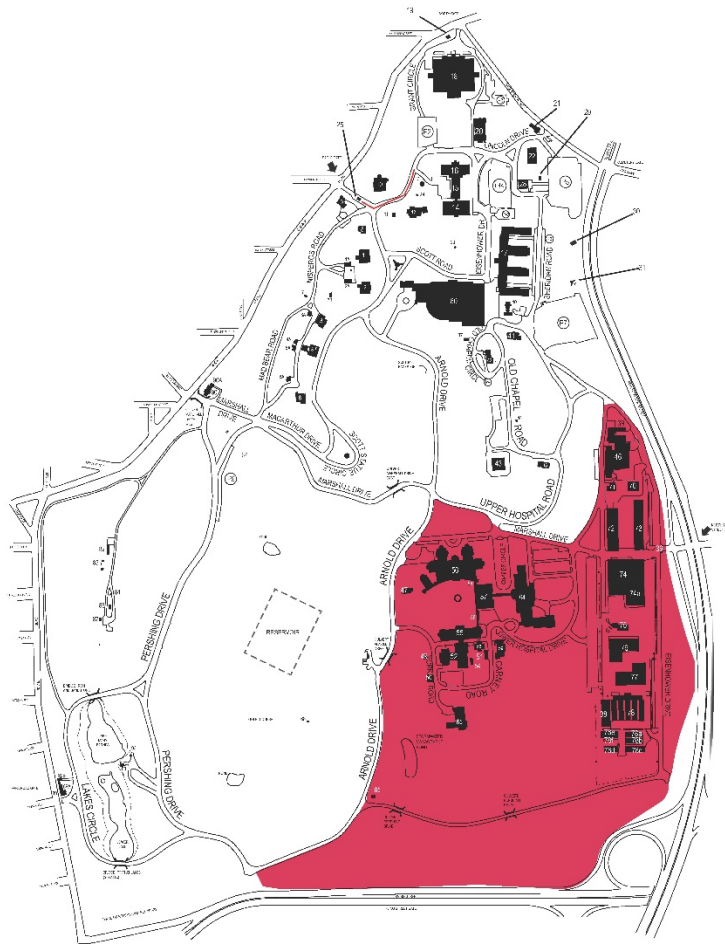
DOD commissioned a business case study completed in 2017 which recommended outsourcing golf course operations and estimated routine operating losses and occasional annual profits of \$100,000-150,000 on capital improvements of \$3-5 million. The golf course remains an important asset to the Home and we will work with the selected developer or other interested parties to revitalize the golf course and retain it as an amenity for our residents.

Together these efforts form a comprehensive program to improve the quality of life for our residents and create a new neighborhood on our historic campus that will enhance the surrounding community and provide new amenities, jobs, and tax revenue in the District of Columbia.

Washington Campus Development Zone Summary

Approved Master Plan			Timeline	
Use	Square Ft	Acreage		
Residential	2,280,477	15.2	Industry Day	Mar 2018
Office	1,191,391	7.4	RFP Release	May 2018
Medical	290,650	1.4	Proposal Submission	Oct 2018
Retail	214,086	1.8	Selection	Nov 2019
Assisted Living	214,000	3.0	MOU with D.C.	Jul 2020
Hotel	126,391	7.5	Master Plan Amendment	2021
Heating Plant Area	36,088	3.0	Zoning	2022
Open Space & Roads		40.5	Lease Execution	2022
Total	4,316,995	80.0	Construction Begins	2023

80-acre development zone in red



Develop a plan for the historic Grant Building

The Grant Building is a grand 169,000 square foot structure on the Washington campus completed in 1912 and closed in 1999. AFRH has commissioned a feasibility study to inform potential use decisions. Grant provides unique opportunities for a variety of uses, which may include public-private partnership elements. Retaining and restoring Grant will require significant investment for which AFRH will need Congressional support in upcoming fiscal years.

Generate additional rent from underutilized buildings, quarters, and ancillary uses

There are eleven houses of various sizes and qualities on the Washington campus, some of which have been reserved for employees in key roles in resident support and management, which can otherwise be rented to employees, tenants, or offered to the public at prevailing market rates. AFRH has been making modest investments so that two vacant houses will soon be available for rental income. We have and will pursue ancillary revenue opportunities, such as for parking and antenna installations and special events. AFRH has executed parking rental agreements with the adjacent Department of Veterans Affairs and MedStar hospitals which will yield over \$800,000 annually until substantial development zone construction begins in those areas.

Quarters One is an 8,000 square foot historic mansion at the heart of the campus' national monument site. Its grand rooms, porches, and lawns with sweeping views of the north campus are ideally suited to special event rentals from corporate and private parties. In late 2018 AFRH developed an arrangement with the President Lincoln's Cottage Foundation to revenue-share on events held in Quarters One as well as the south lawn of the Lincoln Cottage and our two chapel buildings. The Lincoln Cottage Foundation began marketing the new venues in 2019 but progress was halted due to the coronavirus pandemic in 2020 and 2021. We are evaluating the best uses for this key asset to generate steady income.

Improve financial and administrative management

AFRH invests significant resources into administrative services to handle routine functions common to any business: financial accounting and audit, purchasing and contracting, legal services, information technology, and a suite of human resource services including timekeeping and payroll, hiring, benefits administration and employee assistance, and labor relations. We also invest resources because of the many unique burdens of being a federal agency to comply with laws and regulations in all of these business areas as well as extensive reporting and oversight requirements by Congress, the Executive Branch, and DOD. Many of these are mandatory, so while we can seek relief from especially burdensome requirements, we must also streamline our workload and ensure that we are minimizing these costs wherever possible. Budget processes must align strategic goals and objectives through all levels of the organization, emphasizing accountability and data-driven resourcefulness to continually adapt the way we do business.

Initiatives

Empower operational-level budget and resource ownership

We will continue to reform budget formulation processes so managers have input, ownership, and accountability of their department budgets. Managers should have thorough understanding of their resource needs and empowered through an agency-wide ethos supporting experimentation and creativity in managing operations and resources.

Continually evaluate interagency service agreements

AFRH obtains various services support through interagency agreements with other federal agencies functioning as shared service providers. We will continually evaluate these agreements seeking the most cost-effective arrangements, as well as enhancements to current business models to gain efficiencies and cost savings where possible and to ensure compliance and accountability.

Improve policymaking processes

Directives, policies, and standard operating procedures formalize how we conduct day-to-day business but are not set in stone. Being agile requires flexibility to adapt to changing circumstances and priorities, and formal policies often trail how we are actually operating or unnecessarily restrict our decision-making. In 2021-2023 we will continue to ensure important policies are current and adaptable, and outdated or burdensome policies are streamlined or eliminated.

Strategic Goal 3 – Constantly Evolving

This goal is a challenge to honor and build on our traditions while always adapting to the changing world around us. We are always competing—for resources, talent, attention, and trust—and must be willing and ready to experiment and change. We can be fearless to take risks when appropriate to our mission. That means knowing where we fit and how we deliver service and value by always engaging with and opening ourselves to partners and critics alike.

Strategic Questions

- Are we delivering value?
- What are the trends and how are our peers responding?
- Is what we are doing sustainable?

Goal 3 Objectives 2021-2023

Continue to reform leadership and succession planning

AFRH has experienced continuous leadership changes in recent years above and across the headquarters level, with new positions created, dormant positions filled, and normal transitions in individual roles. AFRH will continue to evaluate and revise its management structure to operate more effectively and drive improvement across the organization. In 2021-2023 we will focus on campus-level leadership to evaluate and reform structures as well as promote leadership development and succession planning.

Initiatives

Harness opportunities for leadership development

AFRH has myriad sources it can leverage to promote leadership development and professional excellence, from underutilized federal programs to private sector professional associations. Making better use of these resources will bring new ideas and partnerships to AFRH as well as make AFRH and our talented professionals better known to external audiences.

Improve staff recruitment, engagement, and retention

The vast majority of our federal employees and contract staff provide direct support to residents. They are essential to our operations and have the most direct influence on resident experience. Recruitment, training, management, and retention are arguably our most important investments since we could not continue to exist without a competent and well-functioning professional staff. We face strong and relentless competition to attract and keep the best people.

Initiatives

Ensure effective recruitment and hiring processes

Staff vacancies force inefficient reallocation of workload and added stress, and recruitment processes that fail to bring highly qualified candidates who accept employment at AFRH result in wasted opportunity and limited resources. We must ensure position descriptions are current and accurate, applications are designed to attract qualified candidates, and selection processes result in successful hiring of individuals who will excel at AFRH.

Evaluate competitiveness for retention

Hiring employees is expensive and involves many unknowns, but human capital investments continue well after the hiring process ends. AFRH must evaluate its competitiveness across all factors affecting retention to ensure we keep high-performing staff and maintain a high-functioning organization.

Better integrate technology throughout the organization

Limited funding due to solvency concerns led to resource starvation across AFRH. Insufficient investment in technology has become an increasingly evident concern, just as it has for insufficient capital maintenance. Staff rely on low-cost, outdated systems and equipment; training is limited; and opportunities are lost to improve the way we do business through data-driven analysis. We are in the process of recruiting a new Chief Information Officer, and new leadership in this role will be key to driving technology improvements and initiatives.

Initiatives

Reform business systems and usage

Business systems decisions that are driven by cost limitations first rather than usefulness cause untold damage to our effectiveness as an organization. Leaders lack information they need to make decisions, and staff waste time and energy feeding systems rather than the systems feeding staff needs. Inadequate training results in features that are paid for but unused. We will focus on reforming business systems, training, and usage, on those that have outsize impact on our operations: electronic health records, financial management, and timekeeping.

Prioritize technology investments

Capital infrastructure projects have been given principal focus in recent years due to their mission-critical nature and high cost. While underinvestment in technology may not lead to life-endangering failures like electrical or water systems might, nevertheless it drains resources in countless ways. Funds are used on increasingly expensive legacy systems, time is wasted on outdated hardware and software, and updates and network security become less reliable. We must make better plans for and allocate resources to technology investments that improve our business and enhance security.

Summary List

Strategic Goal	Objective	Initiative
1.0	Strategic Goal 1 – Quality Care First and Always	
1.1	Achieve an occupancy rate of 90 percent or better	
1.1.1	Broaden outreach to attract new residents	
1.1.2	Attract couples	
1.1.3	Modernize residential facilities	
1.1.4	Ensure the admissions process is applicant-centered	
1.2	Organize healthcare services for optimum potential	
1.2.1	Begin coding healthcare interactions	
1.2.2	Ensure staffing is right-sized, professionally diverse, and meets resident needs	
2.0	Strategic Goal 2 – Stewardship at Our Core	
2.1	Manage assets productively	
2.1.1	Develop a strategic asset management plan	
2.1.2	Complete critical capital investment projects and continue to evolve capital investment planning	
2.1.3	Execute a ground lease on the AFRH-Washington development zone	
2.1.4	Develop a plan for the historic Grant Building	
2.1.5	Generate additional rent from underutilized buildings, quarters, and ancillary uses	
2.2	Improve financial and administrative management	
2.2.1	Empower operational-level budget and resource ownership	
2.2.2	Continually evaluate interagency service agreements	
2.2.3	Improve policymaking processes	
3.0	Strategic Goal 3 – Constantly Evolving	
3.1	Continue to reform leadership and succession planning	
3.1.1	Harness opportunities for leadership development	
3.2	Improve staff recruitment, engagement, and retention	
3.2.1	Ensure effective recruitment and hiring processes	
3.2.2	Evaluate competitiveness for retention	
3.3	Better integrate technology throughout the organization	
3.3.1	Reform business systems and usage	
3.3.2	Prioritize technology investments	

Key Metrics

These are key metrics AFRH management will use to measure progress toward our strategic goals and objectives, including baseline measures and targets to reach by the end of this three-year plan in 2023.

Metric	Baseline	2023 Target	Change
Core Metrics			
Trust fund balance	\$49.7 million	>\$75.0 million	+\$25.3 million
Occupancy rate	76% (861/1133)	90% (1020/1133)	+14% (+159)
Revenue	\$45.9 million	\$80.0 million	+\$34.1 million
Spending authority	\$64.3 million	\$80.3 million	+\$16.0 million
Deferred maintenance	\$135.0 million	\$94.0 million	-\$41.0 million
Supporting Metrics			
Lease revenue	\$566,000	\$6.0 million	+\$5.4 million
Resident fee revenue	\$16.7 million	\$22.8 million	+\$6.1 million
Military contributions revenue	\$6.7 million	\$21.3 million	+14.6 million
Donations, gifts, and estates	\$0.5 million	\$3.0 million	+\$2.5 million
Healthcare revenue and offsets	\$0	\$4.3 million	+\$4.3 million
Appropriations received for operations	\$22.0 million	\$5.0 million	-\$17.0 million
Capital expenditure authority	\$1.0 million	\$10.0 million	+\$9.0 million
Category 2 & 3 eligible residents	10%	20%	+10%
Average age	83	78	-5

Notes on the Metrics

Trust fund balance

For the purposes of this plan, we define the trust fund balance on a net basis: the balance sheet value of intragovernmental assets minus total liabilities. The \$49.7 million baseline is derived from the Fiscal Year 2017 Performance and Accountability Report balance sheet. The balance at the end of FY 2020 was \$100 million. We expect continued positive net operating income, however authorized capital expenditures on critical maintenance projects will draw on the trust fund balance as expenses are incurred. Our goal is to maintain the balance at not less than one year's total spending authority, both operating and capital.

Occupancy rate

The baseline occupancy was taken from the population of residents present just prior to fee structure changes announced in April 2018. If we are successful in our efforts to expand eligibility and marketing and improve the attractiveness of our facilities to potential residents, our goal is to increase occupancy to 90 percent. We assume our 1133-resident capacity will remain constant through 2023.

Revenue

Baseline revenue was \$45.9 million received in fiscal year 2017 from the following sources: fines and forfeitures, resident fees, active duty withholding, investment interest, leases, gifts and donations. The 2023 goal of \$80.0 million is a rounded assumption of the revenue goals as described in the supporting metrics.

Spending authority

Spending authority is determined annually by the Congressional appropriations process. In fiscal year 2017 spending authority was \$64.3 million, including \$63.3 million for operation and maintenance and \$1.0 million for construction and renovation. Our goal by fiscal year 2023 is to increase the authorized amount by \$16.0 million to \$80.3 million to support operational expenses of a return to full occupancy and additional capital investment to improve our facilities and reduce our deferred maintenance backlog.

Deferred maintenance

A new metric in this edition of the strategic plan, the \$135 million deferred maintenance baseline was discussed as a future budgetary concern in AFRH's congressional budget justification for fiscal year 2020. This includes five high-priority projects totaling an estimated \$19.0 million which are critical to operations and safety for our high-risk residents such as electrical and water infrastructure, elevators, and chillers. Our goal by 2023 is to eliminate \$41.0 million of deferred maintenance items.

Lease revenue

In fiscal year 2017 we earned \$566,000 from leases and sales. By the end of 2023 we aim to increase this revenue to \$6 million through initiatives, principally through our development zone, charter school, parking, and residential quarters leases.

The best opportunity for revenue from the Washington campus development zone ("Zone A") will come once a lease is negotiated and executed with the master developer. We anticipate a lump sum lease payment upon execution of the lease, followed by additional lump sum lease payments as parcels move through various stages of development, culminating in level ground lease payments for the remainder of the lease. While we will not have a complete picture of ground lease revenue until lease negotiation is complete, we estimate revenue from Zone A revenue to be \$3.0 million in 2023, contingent upon entitlement requirements and final lease payments schedule.

Resident fee revenue

In fiscal year 2017 we earned \$16.7 million from resident fees. The 2023 target of \$22.8 million was derived using the population of residents present just prior to our 2018 fee restructure announcement and is based on multiple assumptions consistent with our goal of achieving 90 percent occupancy.

Military contributions revenue

In fiscal year 2019 AFRH received \$6.7 million in contributions from active-duty service members through pay withholdings totaling \$0.50 per month per member. Since Congress authorized it in 1994, the Secretary of Defense may approve increasing this amount to \$1.00. Assuming military end-strength remains flat, this would double the baseline amount to \$13.4 million. The AFRH CEO has engaged in significant outreach to senior enlisted leaders to gain support for this action. If Congress makes a statutory change to extend pay deductions to members of the National Guard and Reserves, we estimate a revenue increase to AFRH of \$4.1 million at the \$0.50 contribution level and \$8.2 million at the \$1.00 level. Taken together we estimate the potential revenue from these sources at \$21.3 million.

Healthcare revenue and offsets

In fiscal year 2017 we did not earn revenue or reimbursements from healthcare services provided to residents. By the end of 2023 we aim to earn \$4.3 million in revenue or reduce or offset our expenses, or a combination thereof. This amount was derived by assuming a 20% reimbursement of wellness center and clinical costs similar to TRICARE coverage.

Appropriations received for operations

Congress provided \$22 million in appropriated funds from the General Fund in fiscal year 2017 as reflected in the Fiscal Year 2017 Performance and Accountability Report statement of changes in net position. We received the same amount in fiscal years 2018 through 2021, and anticipate an increase to \$25 million in fiscal year 2022. Through revenue increases and cost reductions, we aim to reduce appropriated support for operations to \$5 million or less in fiscal year 2023. We anticipate needing appropriated support to renovate the Sheridan Building on the Washington campus, and to continue addressing long-standing deferred maintenance needs until we yield increased revenues from initiatives underway.

Category 2 & 3 eligible residents

The Fiscal Year 2017 Performance and Accountability Report resident profile which reported 3 percent of residents were category 2 eligible (service-connected disability) and 7 percent were category 3 eligible (service in a war theater), 10 percent combined. By 2023 we aim to increase this to 20 percent combined.

Average age

The Fiscal Year 2017 Performance and Accountability Report resident profile reported an average age of 83.2 years. By 2023 we aim to reduce the average by 5 years to 78 through expanded eligibility and improvements in our facilities and services to increase occupancy.

Risk Factors

We are dependent on a few key officials for major decisions

Major decision-making authority is vested in a few key officials including the Chief Executive Officer, Chief Operating Officer, and facility Administrators. If any of these key personnel were to become unavailable, there could be a material adverse effect on our operations.

We need qualified personnel to manage our operations

We need qualified and competent personnel to manage all aspects of our operations which maintain the health and welfare of our predominately elderly and high health risk resident population. Our inability to recruit and retain qualified and competent personnel could negatively affect our operations and performance.

Competition, demographics, and other market conditions may lower our admissions and occupancy rates

Despite our attempts to expand eligibility criteria and marketing efforts, our admissions and occupancy rates are highly dependent on external factors beyond our ability to control including macroeconomic trends, market and technology changes which make our services less relevant or attractive, and our limited geographic service area may continue to erode our occupancy rates and adversely affect our operating results.

Disasters could hurt our operations

Both campuses are at risk for natural and manmade disasters which could impact our operations for an extended period. Both campuses have experienced substantial damage in the recent past by earthquake and hurricane activity which required rapid evacuation and relocation of vulnerable residents and long-term recovery and reconstruction efforts. Beginning in mid-fiscal year 2020 and continuing through fiscal year 2021, our operations were hampered significantly by the COVID-19 pandemic, resulting in reduced revenue, occupancy, staff retention, and progress on capital maintenance projects.

Legislative and regulatory oversight could limit our results

We are a federal government agency with funding and policy decisions made by legislation and operate highly regulated services, particularly in healthcare, and we are required by law to maintain accreditation for all our services. Changes to law, regulation, or nationally recognized practices may require us to expend considerable resources to comply and adversely impact our results. We may request changes to law or regulation to improve our results which may be modified, delayed, or denied.

We rely on services provided by other agencies for key functions

As a small federal agency, we outsource complex functions and expertise to a limited number of larger agencies offering such services. These functions are critical to our management and operations, including financial management, procurement, human resources and employee relations, legal, information technology, and facilities and real property management. Service changes, reductions, elimination, or significant price increases by these agencies could cause substantial disruption to our ability to operate effectively or manage our administrative costs.

We are exposed to cyber security risks

We are heavily dependent on information technology for all aspects of our operations and manage highly sensitive and regulated personally identifiable information. A significant disruption, failure, theft, or corruption of our data or systems could severely affect our ability to operate, compromise confidential information, and damage our reputation and financial results.

We are or could be a party to legal proceedings

We are a party or could be a party to a variety of legal actions which may have a material impact on our operations and financial condition.

Conclusion

AFRH is a national treasure which exists to care for enlisted members of the military when they need care and support after hanging up their uniforms. This plan builds on comprehensive initiatives taken beginning in 2017 to lay the groundwork for success in the goals and objectives identified over the next three years. AFRH has built a strong leadership team; and, with support from the Department of Defense, we are building relationships with stakeholders to raise awareness of AFRH and its mission. We have worked with Congress to make legislative changes in line with our goals. We believe these goals are realistic and achievable steps toward long-term sustainability of AFRH for current and future generations of veterans. Over the next three years we will revisit this plan periodically to measure our progress.

Appendix

Armed Forces Retirement Home Business Plan 2022

Overview

The business plan serves as an extension of AFRH’s three-year strategic plan focused on returning to solvency and long-term sustainability. Our corporate and campus leaders add their own input specific to their functional areas, setting short-term goals and objectives for the coming year, which support the agency’s overall strategic plan. The strategic plan maps our route while the business plan helps us keep track of turns and miles, and adjusting our route as we encounter detours.

The 2022 business plan that follows is divided into our three overall organizations: the corporate headquarters and each of our two campuses in Gulfport and Washington. The corporate headquarters section includes input from each corporate officer, while the campus sections include input from the administrators.

Corporate Headquarters

Chief Operating Officer

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Ensure organization is right-sized and staffed in every position with personnel who are both qualified and who have positive care-giver attitudes
 - a. Identify and re-structure positions as appropriate
 - b. Ensure all functional areas operate in a “best practice” modality and meet or exceed CARF and The Joint Commission standards
 - c. Modernize facilities and services to accommodate more retiree couples
2. Modernize and upgrade independent living rooms for both singles and couples

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Increase occupancy and associated revenues at both campuses
 - a. Increase Washington independent living occupancy by 25% annually until maintaining greater than 90 percent continuous occupancy; increase Gulfport independent living occupancy by 10% annually until maintaining greater than 94 percent occupancy
 - b. Refine marketing, and admissions processes to bring in couples, retired National Guard and Reserve members, and wounded warriors

- c. Support all initiatives to lease un-used Washington campus buildings
 - d. Increase marketing and public affairs activities to reach broader market of eligible veterans
- 2. Achieve budget efficiencies through more economic outsourcing
 - a. Decrease contracting expenses by 5 percent
- 3. Continue revising and implementing budgeting processes in which campuses develop and manage to their respective budgets; conduct extensive budget reviews to ensure efficient budget planning and reallocation of misaligned funds for mission priorities
- 4. Support all Washington campus initiatives for leasing development zone; integrate development zone planning with Washington master planning for infrastructure, green space, hard space, and amenities
- 5. Increase building and infrastructure renovation program by \$5-10 million annually
 - a. Renovate 4th floor of Sheridan Building to provide larger, modernized living accommodations on the Washington campus
 - b. Continuously seek funding for, and renovate as funds become available, critical Washington campus infrastructure and building systems to include Sheridan Building and chapel elevators, Sheridan roof and replacement chiller, Sheridan roof, and campus-wide electrical, water, and sewer systems

Strategic Goal 3 – Constantly Evolving

Objectives:

- 1. Train staff to more effectively coordinate all staff actions as appropriate
- 2. Develop leadership skills among staff at both campuses to teach, enable, and require managers to resolve issues at the lowest levels
- 3. Improve communications skills throughout staff to build and foster an environment of improved trust between all tiers of staff
- 4. Develop scalable staffing models of a trained and equipped workforce that drive quality, efficiencies, and minimize unit overtime requirements

Chief Human Capital Officer

Strategic Goal 2 – Stewardship at Our Core

Objectives:

- 1. Transition outsourced services to most cost-effective provider for Employee and Labor Relations by December 31, 2022.
- 2. Evaluate changing Equal Employment Opportunity service provider.

Strategic Goal 3 – Constantly Evolving

Objectives:

1. Ensure managers and supervisors have state of the art tools to efficiently initiate and manage personnel actions for staff members
 - a. Validate employee personal information in *HR Connect* database quarterly.
 - b. Update telework designations for positions and employees monthly.
 - c. Survey staff to update self-identified handicap codes annually.
2. Focus on continuous staff professional development
 - a. Develop a mutually rewarding contract bargaining agreement (CBA) from the memorandums of agreement at the Gulfport facility
 - b. Renegotiate the CBA at the Washington facility for AFGE Local 3090, last negotiated in May 2005

Chief Financial Officer

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Ensure AFRH continues to obtain unmodified (“clean”) audit opinions
 - a. Continuously look for opportunities to improve internal controls and risk mitigation strategies to achieve zero control deficiencies.
 - b. Deliver accurate and complete financial statements to the independent auditors within 30 days of close.
 - c. Ensure effective coordination with Bureau of the Fiscal Service (BFS) and the independent auditors with zero incidence of negative feedback.
 - d. Provide timely responses to 100% of auditors’ requests
 - e. Successful close of the audit cycle to include the Performance and Accountability Report being submitted to the Office of Management and Budget (OMB) by the due date and with zero defects.
 - f. Foster culture of collaboration with BFS in support of initiatives consistently comply with internal and external authority requirements and adhere to generally accepted best practices 100% of the time.
2. Provide budgetary oversight to ensure AFRH completes fiscal year within budget
 - a. Ensures budget formulation inputs and current budget year execution are within compliance of obligation authority with zero defects.
 - b. Plans, coordinates, and executes the development of the budget formulation, execution, and forecasting to ensure >95% accuracy of data to support executive leadership decisions.
 - c. Develops and revises AFRH policies or procedures to ensure compliance with internal and external requirements.

- d. Ensures Budget Model is maintained to accurately reflect financial execution data so that interim reporting is within 5% of BFS reported actuals.
 - e. Keeps management apprised of current fiscal year budget execution, forecast spending, variance analysis, and strategies for AFRH priorities.
 - f. Work with administrators and corporate staff in the performance reviews of departmental/unit budget inputs, actuals, and variance drivers.
 - g. Conducts quarterly budget and contract performance reviews to formulate forecast models and to identify opportunities for funding reallocation to emerging priorities.
 - h. Effectively manage, coordinate, and collaborate with both internal and external stakeholders to ensure AFRH executes to budget at a rate $\geq 95\%$.
 - i. Formulate future budget requests that are streamlined and will reduce the dependence on receiving annual supplemental funding from Congress
 - j. Prepare persuasive and economical Congressional budget justifications for upcoming applicable fiscal year that will pass OMB scrutiny and be approved by Congress
3. Lead comprehensive and realistic long-range financial planning and revenue forecasting
- a. Work with the Corporate Facilities Manager to forecast revenue and devise a long-term financial plan to regain self-sufficiency and solvency (e.g., leasing, Veterans Administration parking privileges, etc.
 - b. Work with the Administrators to ensure that delinquent resident fee accounts are handled appropriately (e.g., having hearings, assigning conservators, sending delinquent debt to Treasury for collection, etc.)
 - c. Work collaboratively with the Public Affairs Officer to forecast resident fee revenue for the out-years
 - d. Explore fundraising opportunities
 - e. Assist management in engaging the Department of Defense in increasing voluntary allotments that are received from active-duty military personnel

Chief Medical Officer

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Continue to protect the lives and health to the extent possible of residents and staff during the COVID Pandemic by providing medical expertise to AFRH
2. Promote quality care through a healthcare staff that is credentialed, privileged, and licensed to perform in their scope of duty

3. Maintain quality indicators of continued accreditation by both The Joint Commission and CARF

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Work with PIO, CFO, ITM, CIO, and others to deploy plan to implement coding for reimbursable services in healthcare

Strategic Goal 3 – Constantly Evolving

Objectives:

1. Promote Medical Quality Management through identifying relevant, up to date medical information and continuing medical education for licensed healthcare providers

Chief Information Officer

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Evolve the Electronic Health Records System (EHRS) to meet Joint Commission Requirements and workflow development.
 - a. Facilitate working group sessions with the Ensoftek developers and DC/GP staff to identify requirements for program changes. Major priorities identified are Coding, Care Plans and new admissions requirements.
 - b. Provide funding for staff “super user” training.
 - c. Work with Agency SMEs to market research alternative cost effective EHRS applications.

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Maintain effective and appropriate IT contracts and interagency agreements.
2. Ensure agency meets all reporting requirements in a timely manner.
3. Ensure mandatory reporting as required by OMB and FISMA are completed and submitted to the governing Agencies as required. Known reports for submissions are:
 - a. FISMA – Federal Information Management Act (OMB).
 - b. PIA – Privacy Impact Assessment (OMB).
 - c. Risk Assessment (OMB).
 - d. Records Management Self-Assessment (NARA).
 - e. Incident Response (FISMA/OMB).

Strategic Goal 3 – Constantly Evolving

Objectives:

1. Research alternate shared service providers in support of IT systems.
2. Ensure AFRH information systems maintain compliance and compatibility with appropriate government systems.
3. Facilitate an Agency wide IT Security Awareness training program.
4. Provide continuous management support for the Resident satellite TV and internet service.
 - a. Provide cost effective equipment upgrades to improve the customer experience.
5. Upgrade infrastructure.
 - a. Desktop upgrades for the AFRH DC and Gulfport facilities.
 - b. Network upgrades to provide increased bandwidth for the DC and Gulfport facilities.
 - c. Secure Wi-Fi implementation and mobile charting deployment.
 - d. ISDN distribution equipment upgrade for AFRH DC (Administrative) voice services.

Public Affairs Officer

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Increase Washington independent living occupancy by 25 percent annually until maintaining greater than 90 percent continuous occupancy; increase Gulfport occupancy by 10 percent annually until maintaining greater than 94 percent continuous occupancy
2. Refine marketing, and admissions processes to enroll couples, retired National Guard and Reserve members, and wounded warriors
3. Increase marketing and public affairs activities to reach broader market of eligible veterans.
 - a. Refine and expand annual paid advertising program in military retiree publications and target civilian news outlets to include eligible spouses, retired National Guard and Reserve members, and wounded warriors
 - b. Leverage DOD contacts to ensure placement of cost-free advertising in retiree publications, and focus on eligible spouses, retired National Guard and Reserve members, and wounded warriors
 - c. Expand exhibiting opportunities to include national veteran conventions and events and retiree appreciation day programs at military bases across the country, and focus on eligible spouses, retired National Guard and Reserve members, and wounded warriors
4. Achieve additional efficiencies and cost-savings in existing marketing programs and application processing
 - a. Leverage use of staff at each campus to represent AFRH at national veterans' meetings and retiree appreciation programs, and conduct pre-admissions outreach and processing of applications

- b. Train staff in marketing strategies and screening applicants for eligibility, minimizing unnecessary mailing costs and encouraging applicants to utilize documents on AFRH website
- 5. Update printed marketing materials and web page
 - a. Create new printed marketing materials to reflect evolving mission requirements
 - b. Redesign AFRH web site to provide updated information in a more user-friendly format, and to enhance user and applicant experience
- 6. Encourage external stakeholder commitment to AFRH
 - a. Conduct outreach to state-level veteran service and military service organizations to promote AFRH among their members
 - b. Conduct outreach to senior non-commissioned officers in DOD and National Guard and Reserves to promote knowledge and support of AFRH among current service members

Inspector General and Director of Safety and Security

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Ensure Safety and Security operate in a “best practice” to ensure residents and staff are safe and protected at all times.

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Audit chaplain’s funds for both campuses in conjunction with the Chief Financial Officer annually. Audit resident funds for both campuses in conjunction with the Bureau of the Fiscal Service annually.

Strategic Goal 3 – Constantly Evolving

Objectives:

1. Investigate fraud, waste, abuse, misconduct, or mismanagement involving the Armed Forces Retirement Home and complete reports before the issued suspense date.
 - a. Heighten integrity awareness of AFRH employees and others by publishing at least one article or provide flyers briefing residents, employees and others on integrity annually.
 - b. Conduct an annual meeting with safety and security leadership on the importance of integrity awareness.
2. Strengthen internal security and safety compliance with Department of Defense, Office of the Inspector General (DoDIG), The Joint Commission (TJC) and the Commission on Accreditation of Rehabilitation Facilities (CARF) by:

- a. Conducting quarterly meetings with safety and security leadership to discuss fact-finding concerns.
- b. Conducting quarterly meetings with safety and security leadership to ensure all required actions from DoDIG, TJC, and CARF findings are corrected and remain in place.

Corporate Facilities Manager

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Modernize facility and amenities of Washington campus
 - a. Develop bridge drawings for new Assisted Living rooms in the Sheridan Building
 - b. Procure construction services to renovate Sheridan floors
 - c. Develop plan and solicitation package to replace primary electric switch gear
 - d. Begin updating facility mechanical equipment

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Convert un-used Washington campus space to revenue producing property
 - a. Work with negotiation team for 80 acres lease
 - b. Develop permitting process and policies for 80-acre development
 - c. Define governance of 80-acre development
 - d. Move water and sewer lines out of development zone
2. Generate revenue through enhanced property usage
 - a. Work toward renting vacant Quarters and renovating Quarters 90
 - b. Begin transitioning current Sheridan Building antenna tenants to market value rent-paying leases
 - c. Begin to develop concepts adaptive reuse of the Grant Building
3. Meet and maintain compliance standards
 - a. Work to better waste management solutions
 - b. Submit sustainability, environmental, preservation, and real property reports on time to external agencies
 - c. Work to achieve greater energy efficiencies for both campuses

Performance Improvement Officer

Strategic Goal 1-Quality Care First and Always

Objectives:

1. Restructure organizational performance improvement program to achieve agency goals of quality care, financial stewardship and regulatory compliance accreditation.

- a. Plan, coordinate and execute a veteran/patient safety program that focuses on proactive assessment and mitigation of safety risks to mitigate as many risks (harm) to veterans within the community
 - b. Support a robust review or root cause analysis of negative outcome incidents to ensure that avoidable factors are addressed in an attempt to avoid future incidents
 - c. Continuously support evidence-based improvement by frequently (quarterly) reviewing analyzing data-driven reviews, and quality indicators to recommend next steps in improving performance.
 - d. Keep management apprised of concerns, challenges that pose safety, performance, and regulatory compliance risks that could impact veteran safety or facility liability.
 - e. Review policies and SOPs to ensure that as programs and processes are implemented within the organization, they are evidenced-based and within compliance of governing regulatory agencies.
 - f. Foster a network of sharing “best practices” in process improvement, sharing successful outcome-focused, data driven performance improvement methods across all levels of the organization and partners.
2. Implement Risk Management and Internal Controls Program
- a. Establish policies and procedures for an effective risk management and internal control program
 - i. The organization will implement a Risk Management Board (RMB), an agency level team to guide and monitor the organization’s performance, risks, internal controls (safety, finance, regulatory compliance.) The board will set risk reporting requirements annually.
 - ii. The board will establish and implement action plans for risk mitigation and performance improvement
3. Continuous Regulatory Compliance Accreditation
- a. Ensure facility accreditation by monitoring required survey readiness requirements to include inter-cycle monitoring, required evidence of standards compliance reporting and incident review activities
 - b. Lead a robust, comprehensive, long-term continuous survey readiness process to ensure that each facility maintains the ability to host a no-notice regulatory survey with any of the organization’s regulatory agencies or stakeholders. This requires that the organization maintains continuous compliance with the most critical risk-rated standards and expectations.
 - c. The organization will successfully maintain accreditation from The Joint Commission and CARF for all accredited services.

Strategic Goal 2-Stewardship at Our Core

Objectives:

1. Tricare Reimbursement of Services Performed (Health Care)

- a. Support the organizational goal of receiving reimbursement from services rendered by implementing coding and service review process that allows the organization to capture Tricare reimbursable services.
 - b. Monitor and advise leadership of challenges and concerns regarding coding discrepancies, and variance in coding that could negatively impact reimbursement (denial of reimbursement.)
 - c. Achieve efficiency in the coding process by ensuring that future coder(s) follow critical coding criteria that allows organizational leaders to use coding data in support of budget planning and allocation of resources.
2. Review application/onboarding process for applicants for potential improvements for a more efficient, stream-line process.

Director of Real Estate

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Manage capital assets strategically to maximize value, utility, and life
 - a. Develop 15–20-year vision for Washington, DC, campus that guides and constrains real estate decisions in support of the AFRH mission and its residents
 - b. Assess feasibility of cost-effectively renovating the Grant Building as a residential facility and the Security Building for residential or common area use; recommend course of action by 2nd quarter FY2022
 - c. Plan construction of three new buildings to house independent living, independent living plus, and assisted living residents in accordance with AFRH-W Master Plan (as amended) and phase-out of Sheridan building by FY2031
 - d. Increase AFRH revenues by \$2M or more per year, beginning in FY2022, through the mixed-use redevelopment of 80 acres on the Washington campus

AFRH—Gulfport

Administrator

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Continue to preach, teach, and live the mission and the vision of the home
2. Continue and promote the engagement of staff from all departments with our residents
3. Continue to meet and exceed the standards set forth by our agreements with CARF and The Joint Commission
4. Provide resident centered care/provide continued excellent services to keep the residents we have to age in place
5. Support the efforts of Public Affairs and the Admission Officer at Gulfport to increase occupancy to 70% by end of September 30
6. Work with Chief Healthcare Services, DON, and all 4 clinical nurse supervisors to increase federal nurse staff to eliminate one and/or both nursing contracts

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Work with all service chiefs and their teams to implement ways to reduce spending and manage costs to reduce the gap between revenue and expenses
2. Work with the agency to improve the budget process for our business center and service chiefs

Strategic Goal 3 – Constantly Evolving

Objectives:

1. Continue to promote annual training for staff to ensure we meet 100% goal again
2. Work with the VA to enroll 50 new residents and continue to partner with them for employee training
3. Work with AFGE local union to be grievance free for calendar year 2021–2022

AFRH—Washington

Administrator

Strategic Goal 1 – Quality Care First and Always

Objectives:

1. Provide a CCRC environment that delivers Person Centered Care, embracing the values of choice, dignity, respect, self-determination and purposeful living
 - a. Provide quality healthcare to residents on all levels as evidenced by CARF and TJC accreditations by maintaining a focus on quality
 - b. Ensure compliance with all DoDIG requirements
2. Ensure organization is right-sized and staffed with personnel who embrace Person-Centered Care

Strategic Goal 2 – Stewardship at Our Core

Objectives:

1. Increase Occupancy
 - a. Increase Independent Living occupancy until maintaining > 90% continuous occupancy
 - b. Improve infrastructure on an incremental basis to modernize resident rooms, and accommodate couples and wounded warriors
 - c. Participate in outreach initiatives to veterans' groups and other venues to market AFRH
 - d. Educate staff to be able to speak to the value of living at AFRH
2. Revise and implement budgeting processes down to the manager level
 - a. Review contracted services to ensure use of most cost-effective means to provide services
 - b. Continuously review budget to ensure efficient budget planning and execution
3. Decrease Operating Expenses by 5% with staffing, supply and contracting efficiencies
4. Network with neighbors/supporters of AFRH, including VA, Walter Reed National Military Medical Center, The Old Soldiers Home Foundation, Friends of the Old Soldiers Home (FOSH), The Lincoln Cottage and others

Strategic Goal 3 – Constantly Evolving

Objectives:

1. Develop leadership team to work collaboratively and effectively to coordinate all staff actions
2. Improve communications throughout residents and staff to build and foster an environment of trust
3. Continue to support and sponsor Norwich University and other students
4. Support Agency medical coding initiative for reimbursable healthcare services
5. Support Agency initiatives in development zone and other underutilized campus buildings