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- Improper Payments
- Acronyms
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“I’ve known about the Home all my life. What more could you want?”

—Heather Baird (Navy)



“They don’t take away our liberty card. We still travel.”

—Charlie Baird (Navy)

Heather met Charlie in the Philippines in 1983. She was on sea duty as an Admin Officer and Charlie was deployed as an Aviation Machinist Mate. “We clicked right away. We had a common interest: sailing. They had boats to rent, so he taught me to sail.”

Their adventurous spirit endures. They officially retired in Spring 2011 and moved to AFRH-G. But, they still love to ship off and tour America in their RV. “We’re planning to take the grandkids through Arizona and up the West Coast to visit family”, said Charlie. Altogether, they’re thrilled with all the Home has to offer. “There’s nothing to complain about. This is an exciting new chapter in our lives.”

Most of all, they truly enjoy the independence AFRH affords them both. “This is our Long Term Care insurance. We have three children between us and they have their own lives—so we’re giving them a gift by not worrying about us”, says Heather.

AFRH IG Viewpoint

REINFORCING ACHIEVEMENT

Throughout FY11, the AFRH forged ahead with various actions to fulfill essential needs and to meet organizational Goals. A summary of the Home's proactive response to those endeavors can be viewed in the MD&A section.

In this section, we present the major management and performance challenges from the perspective of the AFRH IG—and an outline of how we are overcoming those challenges.



Maurice Swinton, AFRH IG

DATE: November 1, 2011
 TO: Steven G. McManus, Chief Operating Officer
 SUBJECT: Management and Performance Challenges for FY 2012

In accordance with Section 3 of the Reports Consolidation Act of 2000, each Federal agency IG must provide a statement outlining the most serious Management and Performance Challenges facing the organization. As in years past, I am focusing on the most vital challenges facing the AFRH.

Of late, the effective management and operations of the Agency have contributed to significant improvements in resident service and programs. What's more, there has been increased efficiency and productivity among staff members and the programs they administer. These successes are a demonstrated result of recommendations made by my office and other inspection and audit activities.

The Management and Performance Challenges outlined below offer additional guidelines for enhancement. In compliance with Federal guidelines, these challenges link directly to the President's initiative to improve performance on the Agency's high-priority goals.

MEMORANDUM:

The AFRH has made tremendous strides in the rebuild and standup of its Gulfport facility. Similarly, it is making solid progress on the renewal of the Washington campus. In tandem with both, the Agency has embarked on a major effort to modernize and automate its medical records system.

While efforts are advancing, the AFRH faces new challenges that have surfaced from the unexpected earthquake in August 2011—which caused severe damage to the Sherman Building—the main location of the Agency's administrative offices.

With ongoing construction via the Scott Project, and unexpected repairs to the Sherman Building, the Agency must exercise diligent fiduciary management and oversight to ensure the AFRH Trust Fund remains solvent.

Gulfport Standup: Residents began returning to the facility in October 2010. Managers have worked ardently to admit eligible residents at an average of 10 new admissions per month. Thus far, AFRH-G provides services to the IL and AL populations, and began providing services for LTC in October 2011. Current residency stands at 490. The maximum capacity is expected to be 582 residents.

Electronic Health Record System: (EHRS): In October 2010, the AFRH selected a vendor to provide an EHRS to replace its existing legacy system. The selected EHRS is intuitive, web-based, and offers enhanced capabilities to:

capture and manage patient records, record and assign medical tasks, track medical history, review past visits, review and monitor patient medications, review and list patient allergies, issue and review physician orders, track patient therapy sessions and progress, review and record medical progress notes, write and review care plans, track patient dietary progress, record, review and track incident reports, generate and review lab reports, as well as provide reporting and tracking for a variety of other medical and non-medical support.

The AFRH plans to have the EHRS implemented on the Gulfport campus by the end of the first quarter in 2012, and on the Washington campus by the end of the third quarter of 2012.

BELOW ARE THE VARIOUS AGENCY CHALLENGES I HAVE IDENTIFIED & PRESENTED TO MANAGEMENT:

MANAGEMENT CHALLENGES	RECOMMENDED ACTIONS
• Rehabbing Sherman Building:	repairing, reconstructing, funding & reinstating Corporate staff
• Maintaining Financial Solvency:	keeping costs down and ensuring Trust Fund solvency as Trust Fund is expended for the Scott Project
• Enhancing Resident Services:	establishing baseline contracts to support resident needs (for medical supplies, dental services, pharmacy, optometry and rehab at both AFRH-W & G), and implementing EHRS on both campuses

PERFORMANCE CHALLENGES	RECOMMENDED ACTIONS
• Evolving Resident- & Staff-centered Care:	cultivating this cornerstone philosophy at the Agency and continuing training for all staff and residents
• Advancing Professional Development:	providing and encouraging staff to take advantage of growth training from no-cost or fee-based sources
• Developing Aging in Place	reducing upper levels of care, thereby reducing costs-through rightsizing AFRH-W as well as ILP expansion on both campuses

Meeting the Challenges above will help the AFRH sustain the impressive progress it has made over the past few years. I am confident that the Agency will rise to the occasion of these Challenges and more via smart initiatives, dynamic programs and prudent management.

I can say without reservation that I am proud of this Agency's achievements in FY11. As I continue to serve as the dedicated IG, I will continually monitor the outcomes of the areas above and provide generous support as the Agency makes positive advances.

Respectfully Yours,

Maurice Swinton
 Inspector General

Strength through Adversity

CELEBRATING RESILIENCY



Our greatest challenge in FY11 was opening the Gulfport facility—and our entire staff rose to the occasion, which culminated in a spectacular grand opening. Our staff also rose to the tedious challenge of modernizing and automating the AFRH medical records system.

Yet, the most unexpected challenge was the August earthquake in Washington, which severely damaged the Agency's main administration building. As a result, our staff moved to interim offices—but business continued, despite the inconvenience. The earthquake also damaged three elevators in the main Sheridan dormitory. Plus, it forced the closure of "transition spaces" in the Sherman Building—which we moved to Sheridan, where additional renovations were completed in the dining area. Thankfully, nobody was injured.

Despite these setbacks, we forged ahead with construction in Washington under the Scott Project—on time and within budget. Through it all, the AFRH staff performed admirably.

Outcome: Agency Challenges

MANAGEMENT CHALLENGES	2011	RESULTS
Return residents to Gulfport and initiate programs & services	✓	<ul style="list-style-type: none"> Returned residents safely to AFRH-G in Oct 2010 Matched services with AFRH-W (via One Model)
Implement, manage & monitor Washington Scott Project	✓	<ul style="list-style-type: none"> Deployed Project on time & within budget
Continue to educate, define, train & promote resident wellbeing to the AFRH community	✓	<ul style="list-style-type: none"> Renewed emphasis on Person-centered Care Enhanced FY11-15 Strategic Goals
UNEXPECTED CHALLENGE — Earthquake & Hurricane Irene	✓	<ul style="list-style-type: none"> Safeguarded residents & staff: no one injured Shored up Sherman with Hensel Phelps engineers



PERFORMANCE CHALLENGES	2011	RESULTS
Implement Scott Project Construction	✓	<ul style="list-style-type: none"> Completed transition projects for dining, IT, chillers & recreation Demolished building on schedule (end of FY11: mostly complete) Maintained progress on time & within budget
Implement ILP pilot program	✓	<ul style="list-style-type: none"> (AFRH-G): Commenced & grew program to 43 residents (AFRH-W): Grew program to 45 residents; added staff
Implement Human Capital Succession Plan	✓	<ul style="list-style-type: none"> Identified & defined leadership competencies in our Leadership Succession Management Plan
Implement e-Records/e-Health Records Systems	✓	<ul style="list-style-type: none"> Contracted HealthMEDX for AFRH-G Completed training at both AFRH-G and W; deployment: FY12
Implement NBC Hosted IT System	✓	<ul style="list-style-type: none"> Completed implementation in Oct 2010 Maintained ongoing upgrades & enhancements
Expand visibility of military heritage	✓	<ul style="list-style-type: none"> Opened Gulfport Hall of Honors in Oct 2010 Designed Scott Project Hall of Honors Installed Historical artifacts around AFRH-W
Adhere to timelines & participate in annual mandatory training	✓	<ul style="list-style-type: none"> Scrutinized staff participation to yield better results
Financial Management of operating costs & expenditures	✓	<ul style="list-style-type: none"> Oversight of receivables enhanced Internal controls & risks coordinated with Performance Improvement

Improper Payments

GUARANTEEING ACCURACY

The Improper Payments Information Act (IPIA) of 2002 (Public Law 107-300), as amended by the Improper Payments Elimination and Recovery Act (IPERA) of 2010, was enacted to provide for estimates and reports of improper payments by Federal agencies.

IP Details:

BPD catches erroneous payments and makes the needed corrections. Then, BPD notifies the AFRH Business Office, Contracting Officer's Technical Representatives (COTRs), and technicians. The four detected IPs in FY11 were reviewed and corrected.

On two invoices from Brown & Co. in August, a revised invoice was processed and validated before issues arose with travel charges. Once the mistake was discovered, BPD contacted Brown and the AFRH was credited the erroneous charges.

The other two invoices were improper payments to Magnum Opus Technologies. These were processed without the appropriate assign site in Oracle. The vendor contacted the technician regarding these payments and stated that they would take care of obtaining the funds. So, no action had to be taken by BPD's accounting staff.

AFRH IP Trends:

- FY05: 1
- FY06: 30
- FY07: 4
- FY08: 4
- FY09: 179*
- FY10: 2
- FY11: 4

**172 by McKesson over 2 fiscal years (just detected in FY09)*

The Act requires that Federal agencies estimate improper payments and report on actions to reduce them. An improper payment is any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements.

Each year, our partner BPD reviews each AFRH business program for improper and erroneous payments. Under the Prompt Pay Act, there were 24 invoices paid late during FY11. This was due to the reopening of the Gulfport facility that resulted in a 53% increase in the volume of invoices and the transitioning to a new staff.

It should be noted that the invoice approval process involves manual steps at both the AFRH and BPD. Effective in November 2011, the AFRH will be transitioning to the Internet Payment Platform that will eliminate those manual processes and greatly reduce inefficiencies in the approval process.

"I heard a tremendous bang—and it felt like the elevator was falling."

—Nelson Jamison
(Air Force)

Nelson was riding an elevator in Sheridan when the August earthquake hit. "Suddenly I heard a tremendous bang—and it felt like the elevator was falling. I tried to jump off the floor before hitting the ground but I couldn't jump. I felt like a ball in a cage getting knocked around. I thought I was a goner."

Suddenly the elevator stopped. Nelson got off and sat down. He thought he was having a stroke. "It felt like vertigo...I was swaying around. Then I looked up and saw the building twisting. I couldn't believe it."

An inspection revealed the earthquake had dislodged the elevator counter weights. Each elevator holds 5,000 lbs. of weights to anchor the car. The weights were rattled, came off the cables, and plunged down and through the ceiling of two cars—directly to Nelson's left and right. Amazingly those cars were empty. "Typically, those cars are full of residents. It was a miracle nobody was hurt."

1st Place in the 2011 Providence Hospital Golf Classic (Lakes Course).



Acronyms CLARIFYING TERMS

AAFES Army and Air Force Exchange Service
ADA Americans with Disabilities Act
AL Assisted Living
ARC Administrative Resource Center
AFRH Armed Forces Retirement Home
BPD Bureau of Public Debt
C&A Certification and Accreditation
CARF/CCAC Commission on Accreditation of Rehabilitation Facilities and Continuing Care Accreditation Commission
CCRC Continuing Care Retirement Community
CFA US Commission of Fine Arts
CFO Chief Financial Officer
CHCO Chief Human Capital Officer
CMMS Computerized Maintenance Management System
CNA Certified Nursing Assistant
COO Chief Operating Officer
COTR Contracting Officer's Technical Representative
COTS Commercial-Off-The-Shelf
CRA Continuing Resolution Act
CWOA Chief Warrant & Warrant Officers Association US Coast Guard
DAPS Document Automation and Production Service
DAV Disabled American Veterans
DCOO Deputy Chief Operating Officer
DEIS Draft Environmental Impact Statement
DEOMI Defense Equal Opportunity Management Institute

DFAS Defense Finance and Acquisition System
DoD Department of Defense
DOI Department of Interior
DRMS Defense Reutilization and Marketing Services
EEO Equal Employment Opportunity
EFT Electronic Funds Transfer
FAIR Federal Activities Inventory Reform
FAR Federal Acquisition Regulation
FASAB Federal Accounting Standards Advisory Board
FECA Federal Employees Compensation Act
FEMA Federal Emergency Management Agency
FEDInvest Federal Investment (software application)
FFMIA Federal Financial Management Improvement Act
FISMA Federal Information Security Management Act
FMFIA Federal Managers Financial Integrity Act
FTE Full-time Equivalents
FY Fiscal Year
GAAP Generally Accepted Accounting Principles
GPRA Government Performance and Results Act
GSA General Services Administration
HCMR Human Capital Management Report
HSPD-12 PIV Homeland Security Presidential Directive 12 — Personal Identification Verification

IG Inspector General
IL Independent Living
ILP Independent Living Plus
IPAC Intragovernmental Payment and Collection System
IPIA Improper Payments Information Act
IT Information Technology
IP Internet Protocol
JCAHO Joint Commission on Accreditation of Healthcare Organizations
JFMIP Joint Financial Management Improvement Act
KHC King Health Center
LEED Leadership in Energy and Environmental Design
LPN Licensed Practical Nurse
LRFP Long Range Financial Plan
LTC Long Term Care
MCOC Management Control Oversight Council
MEO More Efficient Organization
MS Memory Support
NBC National Business Center
NCPC National Capital Planning Commission
NAVFAC Naval Facilities
NCOA Non Commissioned Officer Association
NDAA National Defense Authorization Act
NFC National Finance Center
NLT No Later Than
NPSG National Patient Safety Goals
OMB Office of Management and Budget
OPM Office of Personnel Management

OSD Office of the Secretary of Defense
OSHA Occupational Safety and Health Administration
PART Program Asset Rating Tool
PC Personal Computer
PMD Power Mobility Device
PPE Property, Plant, and Equipment
QIP Quality Improvement Plan
RADM Rear Admiral
RFP Request for Proposal
RFQ Request of Qualification
RIS Resident Information System
RN Registered Nurse
SAS Statement on Auditing Standards
Seabee Naval Construction Battalion
SHCP Strategic Human Capital Plan
SF Square Feet
SME Subject Matter Experts
SOP Standard Operating Procedure
SSG Service Study Group
STAR Systems Time and Attendance Report
TeamSTEPPS Team Strategies and Tools to Enhance Performance and Patient Safety
TREA The Retired Enlisted Association
U.S.C. United States Code
USSGL US Standard General Ledger
VSO Veteran Service Organization
WG Washington Gas

Inspired?

Thank you for taking the time to experience life at the AFRH. You have seen how we have grown, changed, thrived, and responded to many challenging and inspiring events in 2011. If you enjoyed the stories about our residents and staff then please let us know—or if you have an inspired idea of your own for the Home, please get in touch. Also, we welcome your feedback on this Report and you may contact us anytime.



Thanks!

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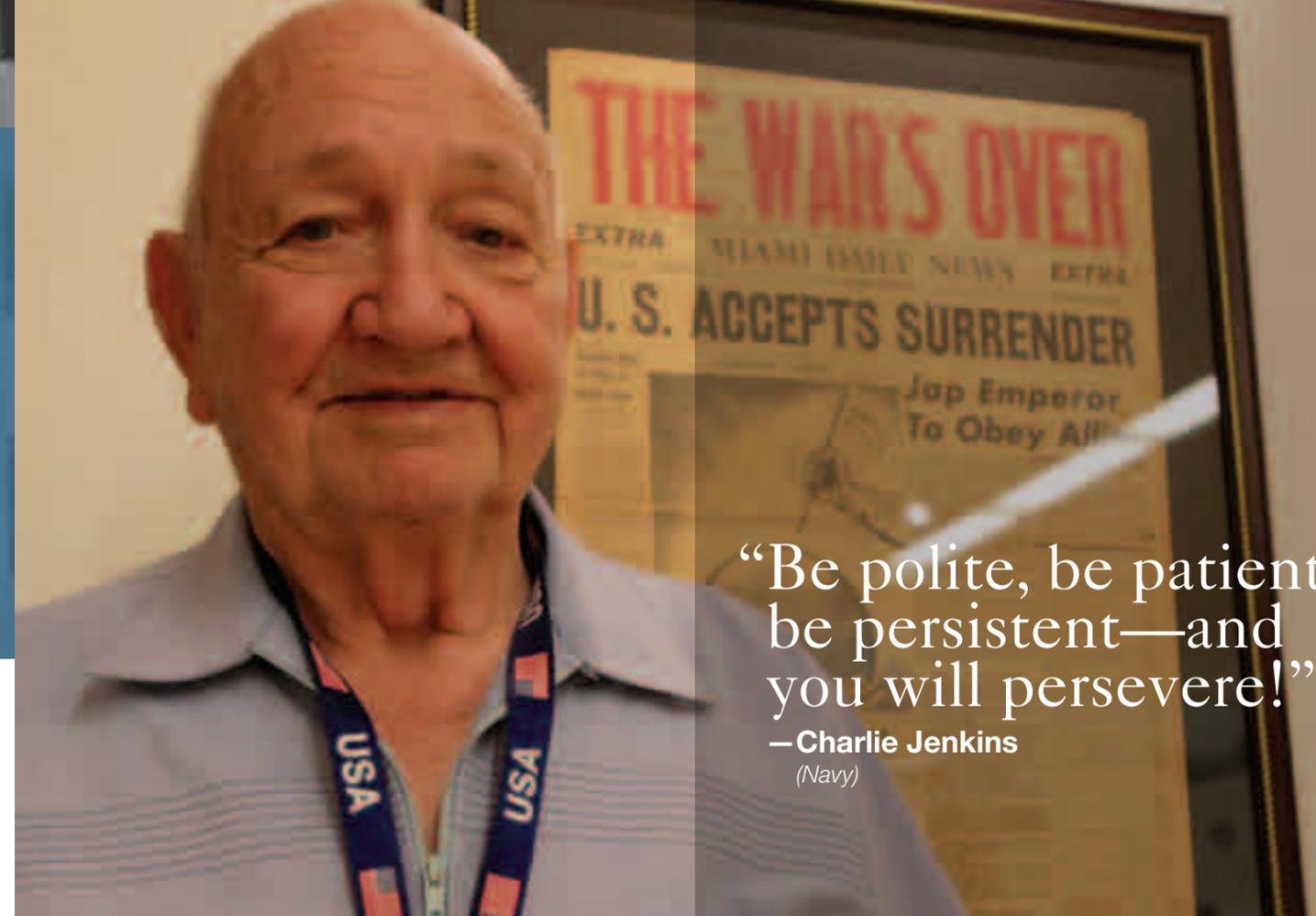
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A heartfelt thank you goes out to each stakeholder, volunteer, staff, contractor, and resident family member who helped motivate and support the AFRH in 2011. Our community is truly enriched because you have given us your time and effort. Our nation's heroes have inspired so many to greater deeds. With your ongoing support, the AFRH has been, and will continue to be, **Inspiring Independence.**



“Be polite, be patient,
be persistent—and
you will persevere!”

—Charlie Jenkins
(Navy)

Charlie entered the Navy in May of 1945 to join his two brothers. After Basic, he trained intensely for an invasion that was to be made on Japan. But, President Truman

announced that the Japanese had agreed to surrender—and the dangerous invasion never was launched.

Charlie remembers that moment well: “My two

brothers and I would have been involved in that invasion. I was elated when I first heard about it”, he said. Still, he spent 27 years in the Navy on submarines and in administrative duty.

Later in life, Charlie cheated possible death again when a reckless driver struck him and left him with a serious brain injury. After extensive rehab and physical therapy, he went back to school to earn his Associate Degree, which took him seven years.

Today, Charlie enjoys staying active at AFRH-G and is a self-proclaimed “history buff”. He loves sharing his knowledge about America and his own personal philosophy of “The Four ‘P’s”.



A replica of Charlie's original uniform



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