

FY 2009 CAPITAL ASSET PLAN (CAP) WEB POSTING

Project Name:

Retirement Systems Modernization (RSM)

Agency Name:

United States Office of Personnel Management (OPM)

Unique Project Identifier:

027-00-01-02-01-1010-00

Project Phase:

Mixed Life-Cycle

Project Initiation Date:

FY 2000

Justification / Description of Initiative:

A strategic objective of the OPM is to ensure the Federal civilian workforce will have career opportunities, benefits, and service delivery that compete successfully with other employers. To support this strategic objective, OPM has established an operational goal to build, test, and implement the Retirement Systems Modernization (RSM) program with a Go Live target of February 2008. The RSM program addresses the people, process, and technology used for Federal retirement operations.

There are a number of drivers for the RSM program. Current operations are paper-based, requiring labor intensive manual processing, with the associated higher rate of errors relative to automated processing. A greater work load is expected due to an anticipated increase in the number of retirement applications, and current operations are at capacity. Customer service expectations are increasing – the current approach affords limited customer self-service capabilities and in most cases the initial benefit payment is a partial payment while retirement applications are processed.

The RSM investment is targeted at timely, accurate retirement benefit payments and more efficient and flexible processes using proven technology rather than manual, paper-based processes. The RSM program will automate retirement processing with active employee data available through recurring electronic feeds. The benefits include high quality customer service to annuitants; enhanced services to active Federal employees through modeling and planning tools; and prompt, complete payment of annuity on the day it is due. It will provide timely processing and resolution of complex claims cases through the use of real-time automated and self-serve processing. It will also promote single call issue resolution by making data available electronically. These objectives, taken together, will make the Federal retirement experience similar to the practices of leading organizations that compete with the Federal government for employees.

President’s Management Agenda (PMA) Initiatives Supported.

- Human Capital
- Expanded E-Government
- Eliminating Improper Payments

Description of how the initiative supports the identified PMA initiatives above:

The RSM Program supports the elimination of improper payments by using automated calculations of retirement benefits to reduce erroneous retirement payments. The RSM Program supports the human capital initiative by helping attract and retain employees by offering retirement services consistent with those offered by private industry. RSM supports the expanded E-Government initiative by automating retirement processes and disseminating retirement processing best practices across agencies.

Is this investment for information technology?

Yes

Is this investment identified as “high risk” on the agency high risk report?

Yes

Summary of Spending Table:

SUMMARY OF SPENDING FOR PROJECT PHASES (REPORTED IN MILLIONS)			
	PY 2007	CY 2008	BY 2009
Planning	3.360	2.371	1.365
Acquisition	31.342	31.520	11.725
Subtotal Planning & Acquisition	34.702	33.891	13.090
Operations & Maintenance	0.000	15.715	24.740
TOTAL	34.702	49.606	37.830
Government FTE Costs	2.060	2.598	2.110
Number of FTE represented by cost	16	20	16

Acquisition/Contract Information:

Contract Number 1: Defined Benefits Technology Solution

Contract Type Used: Firm Fixed Price

Contract Total Value: \$290 M

Contract Number 2: Paper Data Capture and Conversion

Contract Type Used: Firm Fixed Price

Contract Total Value: \$32 M

Contract Number 3: Business Transformation/ Information Technology

Contract Type Used: Blanket Purchase Agreement (Firm Fixed Price Calls)

Contract Total Value: \$40 M

Contract Number 4: Program Management Office

Contract Type Used: Firm Fixed Price

Contract Total Value: \$2 M

Contract Number 5: IV&V

Contract Type Used: Firm Fixed Price

Contract Total Value: \$.352 M