



United States Office of Personnel Management

Congressional Budget Justification Performance Budget

Fiscal Year 2015

CBJ Submission
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Executive Summary

FY 2015 Budget Overview

The U.S. Office of Personnel Management (OPM) is the Federal Government’s chief human resources agency and personnel policy manager of the Federal workforce. OPM achieves its mission to *Recruit, Retain and Honor a World-Class Workforce to Serve the American People* by directing human resources and employee management, administering retirement, healthcare and insurance programs, overseeing merit-based and inclusive hiring into the civil service, and providing a secure employment process.

OPM requests **\$240,188,000** in discretionary resources for Fiscal Year (FY) 2015. **\$214,464,000** of this amount is for OPM activities. This funding will support OPM’s executive leadership, administrative operations and services to the Federal Government, its employees, retirees, and the American public. **\$25,724,000** is for the Office of the Inspector General (OIG). The OIG routinely conducts independent audits, investigations and assessments on OPM’s programs and activities. Our request seeks approximately the same amount of resources in FY 2015 as appropriated for FY 2014. Our request for OPM activities represents an increase of **\$129,000** from FY 2014 enacted levels, and the OIG request represents a **\$300,000** decrease from the same.

OPM Budget FY 2013 through FY 2015 - Discretionary Resources

| OPM Budget Authority | FY 2013 Enacted | FY 2014 Enacted | FY 2015 CBJ |
|--|----------------------|----------------------|----------------------|
| Discretionary Appropriation | \$204,950,804 | \$214,335,000 | \$214,464,000 |
| Salaries & Expenses Total | \$92,659,836 | \$95,757,000 | \$96,039,000 |
| EHRI S&E - No-Year | \$5,689,955 | \$5,703,800 | |
| HRLOB S&E No-Year | \$1,341,935 | \$1,345,200 | |
| Salaries & Expenses | \$85,627,946 | \$88,708,000 | \$96,039,000 |
| Trust Fund Total | \$112,290,968 | \$118,578,000 | \$118,425,000 |
| Trust Fund Annual | \$112,290,968 | \$115,978,000 | \$118,425,000 |
| Trust Fund Limitation - No Year | | \$2,600,000 | |
| OIG Discretionary Appropriation | \$24,109,307 | \$26,024,000 | \$25,724,000 |
| OIG Discretionary Appropriation | \$24,109,307 | \$26,024,000 | \$25,724,000 |
| Salaries & Expenses - OIG | \$2,977,655 | \$4,684,000 | \$4,384,000 |
| Trust Fund Annual - OIG | \$21,131,652 | \$21,340,000 | \$21,340,000 |
| OPM Total | \$229,060,111 | \$240,359,000 | \$240,188,000 |

This budget is aligned to OPM's Strategic Plan for FY 2014 through FY 2018 which is being released concurrently with this budget request. The Government Performance and Results Modernization Act of 2010 (P.L. 111-352) requires Federal agencies to publish a new strategic plan in the year following the year in which the term of the President commences.

OPM's Strategic Plan is a results oriented road map to achieve the agency's most important outcomes and reflects OPM's priorities for the next four years. The strategic goals are of two types: 1) *management goals* that are internally-focused on OPM systems and processes that enable the agency to deliver on its mission; and 2) *program outcome goals* that are externally-focused on OPM's responsibilities to:

1. Lead agencies in fostering inclusive work environments;
2. Ensure that Federal retirees receive timely, appropriate and accurate retirement benefits;
3. Enhance the integrity of the Federal workforce; and
4. Provide high quality health benefits to Federal employees, retirees and the American public.

Most of OPM's resources are devoted to these externally-focused activities. The management goals shape the direction of core support services such as workforce management, information systems and budgeting and, thereby, horizontally integrate all OPM programs and services. In this first budget year of the strategic plan, OPM seeks to invest resources in the foundational elements needed to accomplish the longer-term outcomes identified by plan.

The strategic plan identifies that the use of integrated human resources data spanning the life cycle of Federal employment from hiring to separation is a common enabling capacity that is necessary for OPM to efficiently and effectively fulfill its diverse missions. In FY 2015, we will invest in our capacity to integrate and utilize this data; assist agencies with human resources planning, recruitment, assessment, and hiring; ensure our Federal workforce is properly investigated and suitable for Federal service; address the training and benefits necessary to attract, develop and retain capable and dedicated staff; and efficiently and accurately provide retirement and other benefits to retirees, survivors and other beneficiaries.

Resources within this budget request are focused on achieving core integrated HR data capacity. We are investing in developing an enterprise architecture that supports data integration, uses the Human Resources Line of Business (HRLob) business reference model to harmonize the data that OPM collects throughout the employment life cycle, and improve data analytical capability including staff and reporting tools to better use data for mission fulfillment.

This focus on integrated HR data capacity is a new element in our strategic plan, but OPM has long identified the value proposition of better utilizing the data it collects. Previous budgets identified needs to modernize retirement systems, develop data warehouse and analytical capacity for health insurance claims information, and automate background investigation initiation and processing. OPM continues to use resources from previous appropriations and revolving fund to automate processes and improve our ability to work with data as directed by Congress and the Administration. This budget seeks Salaries and Expenses resources to continue most of this work because the foundational elements budgeted for FY

2015 will benefit all of OPM's programs rather than just programs financed by transfers from OPM's earned benefit trust funds.

OPM Budget FY 2013 through FY 2015—All Resources

| OPM Budget Authority | FY 2013 Enacted | FY 2014 Enacted | FY 2015 CBJ |
|--|------------------------|------------------------|------------------------|
| Salaries & Expenses Total | \$92,659,836 | \$95,757,000 | \$96,039,000 |
| EHRI S&E - No-Year | \$5,689,955 | \$5,703,800 | |
| HRLOB S&E No-Year | \$1,341,935 | \$1,345,200 | |
| Salaries & Expenses | \$85,627,946 | \$88,708,000 | \$96,039,000 |
| Trust Fund Total | \$112,290,968 | \$118,578,000 | \$118,425,000 |
| Trust Fund Annual | \$112,290,968 | \$115,978,000 | \$118,425,000 |
| Trust Fund Limitation - No Year | | \$2,600,000 | |
| Mandatory Authority Total | \$61,480,016 | \$67,142,370 | \$71,588,002 |
| 5 USC 8348(a)(1)(B) (Retirement) | \$41,355,522 | \$45,936,369 | \$50,382,000 |
| 5 USC 8958(f)(2)(A) & 5 USC 8988(f)(2)(A) (Dental & Vision Ins.) | \$16,179,501 | \$17,049,000 | \$17,049,001 |
| 5 USC 9004(f)(B) (Long-Term Care) | \$1,943,552 | \$2,048,001 | \$2,048,001 |
| FERCCA (P.L. 106-265) (Retirement) | \$2,001,441 | \$2,109,000 | \$2,109,000 |
| Revolving Fund | \$1,829,013,365 | \$1,521,857,991 | \$1,612,587,838 |
| Revolving Fund | \$1,829,013,365 | \$1,521,857,991 | \$1,612,587,838 |
| Advances & Reimbursements | \$6,288,719 | \$5,599,150 | \$2,831,380 |
| Advances & Reimbursements | \$6,288,719 | \$5,599,150 | \$2,831,380 |
| OIG Discretionary Total | \$24,109,307 | \$26,024,000 | \$25,724,000 |
| Salaries & Expenses - OIG | \$2,977,655 | \$4,684,000 | \$4,384,000 |
| Trust Fund Annual - OIG | \$21,131,652 | \$21,340,000 | \$21,340,000 |
| OPM Total | \$2,125,842,211 | \$1,834,958,511 | \$1,927,195,220 |

FY 2015 Budget Request by Fund

OPM is uniquely funded by a variety of sources. Its largest annual resource are fees provided by agencies for services, followed by transfers from OPM's benefit trust funds for administrative activities, and then its discretionary appropriations. OPM estimates that its total operating budget in FY 2015 will be \$1,927,195,220.

OPM's total FY 2015 discretionary request is **\$240,188,000**. OPM's discretionary request consists of two appropriations, one for OPM's general activities, and the other for OPM's Office of the Inspector General. Both contain salaries and expenses and limitations on transfers from the Earned Benefit Trust Funds under OPM management. These transfers come from the following trust funds and are subject to Congressional limitation:

- Civil Service Retirement and Disability Fund;
- Federal Employees Health Benefits Fund; and

- Federal Employees Group Life Insurance Fund.

There are three mandatory appropriations that provide for the transfer of resources from Treasury's general fund to the three earned benefit trust funds to finance benefits for Federal employees and annuitants. The trust funds and the associated mandatory appropriations are discussed in more detail in the Earned Benefit Trust Funds section of this budget. OPM also has access to revolving funds since the agency sells goods and services to other agencies. These services include investigations, human resources services and related tools and technologies such as USAJOBS.

Salaries and Expenses

OPM requests **\$96,039,000** in annual Salary and Expense Funds (personnel and non-personnel resources). The funding request will support the agency's program offices that carry out OPM's statutory policy and oversight responsibilities for other Federal agencies. Of this amount, **\$642,000** will be used to continually strengthen the capacity and capability of OPM's acquisitions workforce.

Trust Fund Transfers

For the administration of the civil service retirement and insurance programs, OPM requests a total of **\$118,425,000** in discretionary transfers from the Trust Funds. OPM is responsible for managing the Federal Government's health benefits and life insurance programs under the Federal Employees Health Benefits Program (FEHBP) and the Federal Employees Group Life Insurance (FEGLI) Program. In addition, OPM administers the Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS) which are financed from the Civil Service Retirement & Disability Fund (CSRDF). The administrative trust fund transfers partially fund Retirement Services, Healthcare and Insurance, and Planning and Policy Analysis operations.

Mandatory Administrative Authorities

Several provisions under Title 5 of the United States Code and the Federal Erroneous Retirement Coverage Correction Act (FERCCA) authorize OPM to administer retirement and insurance and to transfer funds for this administration from the trust funds to compensate the staff working on those activities. These authorities provide additional administrative transfers from the Trust Funds. Per 5 U.S.C. §8348 (a)(1)(B), OPM incurs expenses from CSRDF for the following activities:

- Administering survivor annuities and elections (§8339 and §8341) and other annuity alternatives (§8343a and §8420a);
- Making discretionary allotments and assignments and withholding State income taxes on monthly annuities (§8345(k) or §8469) upon annuitant request; and
- Withholding taxes pursuant to section 3405 of title 26 or section 8345(k) or 8469 of this title.

Within the CSRDF account, OPM may also incur expenses as deemed appropriate for the administration of FERCCA (P.L. 106-265, title II, §2302). OPM may incur expenses through a Long-Term Care Administrative Account from the Employees' Life Insurance Fund (supra at title I, 5 U.S.C. §9004(f)(B)). Within Employee Health Benefits, OPM may defray reasonable expenses to its Dental and Vision Benefits Administrative accounts for the administration and regulation of both Dental Coverage and Vision Coverage (5 U.S.C. §8958 (f)(2)(A) and §8988 (f)(2)(A)).

Revolving Fund

OPM provides a variety of services to other Federal agencies that are financed through those agencies' customer transactions and orders. These transactions are collectively consolidated under the Revolving Fund. The FY 2015 budget estimates total revolving fund obligations of **\$1,612,587,838** from the payments of Federal agencies for OPM's services. This represents an increase of **\$90,729,846** from revised estimates for FY 2014. The original FY 2014 CBJ obligations are **\$458,600,099** lower than the FY 2015 estimates. Services are generally provided by Federal employees, as well as contractors who are qualified for the service. OPM's services include conducting more than 90 percent of the Federal government's background investigations of Federal employees, contractors, and military members for various Federal agencies. Through our Human Resources Solutions (HRS) program, we offer recruitment and applicant assessment services, and a web-based automated staffing system for agency use; provide staffing, technical assistance, and general consultation services on workforce planning, organizational assessments and other facets of human resources management; and provide core mission and customized training services and supply learning management systems to meet agency knowledge management needs. OPM manages the selection, coordination, and development of Presidential Management Fellows. OPM also offers personnel record conversion and advanced analytical tools for automated personnel records through the Enterprise Human Resources Initiative, government-wide job announcements through USAJOBS, and other human resource related technology solutions through our Human Resources Tools and Technology (HRTT) services.

The recently enacted OPM IG Act (P.L. 113-80) extends permitted uses of the revolving fund to include financing the cost of audits, investigations, and oversight activities of OPM's Inspector General (IG). The Act limits the amount of revolving fund resources available to the IG each year to 0.33 percent of the total budgetary authority estimated for the revolving fund. This Act expands the ability of the Inspector General to effectively oversee activities financed by OPM's revolving funds. The Inspector General's anticipated use of these resources during FY 2015 is discussed in the Office of the Inspector General section of this document.

Recent developments have required OPM to re-assess estimates of revolving fund activity in FY 2014, and make modifications to the services we provide, and how we deliver those services. Our Federal Investigations Service (FIS) is undertaking several efforts to ensure the quality and accuracy of investigation products including performing all final quality reviews of completed investigations with Federal staff. HRS is ending its nation-wide testing program and scaling back leadership training offerings due to declining demand for such services. In addition, OPM recently announced that HRS has

cancelled its solicitation for Customized Human Resources Solutions services in light of changing requirements, and will redefine requirements before issuing a new solicitation. This action will affect the value of services purchased by other Federal agencies from OPM in FY 2014.

Revolving Funds – Revenue and Obligations

| Business Line | | FY 2014 CBJ | FY 2014 Revised Estimate | FY 2015 Estimate | Increase Decrease |
|---------------------------------------|---------------------|------------------------|--------------------------|------------------------|----------------------|
| Investigative Services | Revenue | \$1,195,120,738 | \$1,048,534,584 | \$1,133,875,000 | \$85,340,416 |
| | Obligations | \$1,189,120,738 | \$1,058,764,793 | \$1,132,617,689 | \$73,852,896 |
| Human Resource Solutions | Revenue | \$776,000,000 | \$357,800,000 | \$395,030,110 | \$35,780,000 |
| | Obligations | \$800,170,000 | \$381,196,000 | \$392,613,817 | \$11,417,817 |
| HR Tools and Technology | Revenue | \$30,053,000 | \$30,053,000 | \$33,720,000 | \$3,667,000 |
| | Obligations | \$30,701,573 | \$30,701,573 | \$33,285,228 | \$2,583,655 |
| USAJOBS | Revenue | \$12,083,376 | \$12,083,376 | \$12,106,940 | \$23,564 |
| | Obligations | \$11,667,718 | \$11,667,718 | \$11,487,544 | (\$180,174) |
| Presidential Management Fellows (PMF) | Revenue | \$3,150,000 | \$3,150,000 | \$3,150,000 | \$0 |
| | Obligations | \$3,910,051 | \$3,910,051 | \$2,582,524 | (\$1,327,527) |
| Enterprise Human Resource Integration | Revenue | \$32,617,856 | \$32,617,856 | \$33,992,291 | \$1,374,435 |
| | Obligations | \$32,617,856 | \$32,617,856 | \$37,001,035 | \$4,383,179 |
| HR Line of Business | Revenue | \$3,000,000 | \$3,000,000 | \$3,000,000 | \$0 |
| | Obligations | \$3,000,000 | \$3,000,000 | \$3,000,000 | \$0 |
| Total | Revenue | \$2,052,024,969 | \$1,487,238,816 | \$1,614,874,341 | \$127,635,525 |
| Total | Obligations* | \$2,071,187,936 | \$1,521,857,991 | \$1,612,587,838 | \$90,729,846 |

*Obligations exceed revenue in some instances because business lines use unobligated balances from prior years (i.e. carryover).

FY 2014 & FY 2015 Comparison of FTE —All Resources

| OPM Budget Authority | FY 2014 Enacted | FY 2015 CBJ |
|--|-----------------|----------------|
| Salaries & Expenses Total | 873.7 | 843.2 |
| EHRI S&E - No-Year | 2.5 | |
| HRLOB S&E No-Year | 4.0 | |
| Salaries & Expenses | 867.2 | 843.2 |
| Trust Fund Total | 861.6 | 858.3 |
| Trust Fund Annual | 861.6 | 858.3 |
| Trust Fund Limitation - No Year | 0.0 | |
| Mandatory Authority Total | 326.3 | 322.0 |
| 5 USC 8348(a)(1)(B) (Retirement) | 303.0 | 298.7 |
| 5 USC 8958(f)(2)(A) & 5 USC 8988(f)(2)(A) (Dental & Vision Ins.) | 6.1 | 7.0 |
| 5 USC 9004(f)(B) (Long-Term Care) | 5.2 | 4.3 |
| FERCCA (P.L. 106-265) (Retirement) | 12.0 | 12.0 |
| Revolving Fund | 3,202.5 | 3,275.7 |
| Revolving Fund | 3,202.5 | 3,275.7 |
| Advances & Reimbursements | 12.2 | 4.8 |
| Advances & Reimbursements | 12.2 | 4.8 |
| OIG Discretionary Total | 145.0 | 145.0 |
| Salaries & Expenses - OIG | 19.0 | 19.0 |
| Trust Fund Annual - OIG | 126.0 | 126.0 |
| OPM Total | 5,421.3 | 5,449.0 |

In FY 2015, OPM's expected funding will support 5,449 full-time-equivalent employees (FTE). Of this total, the discretionary appropriations and mandatory Trust Fund transfers will support 2,024 FTE (the sum of Salaries and Expenses Total, Trust Fund Annual Total, and Mandatory Authority Total). The remaining allocation of 3,425 FTE will be supported by Revolving Fund activities, Advances and Reimbursements, and OIG's discretionary appropriations.

FY 2015 Budget Request by Object Class

The discretionary appropriation budget object class table shows how OPM will utilize our discretionary request. The Office of the Inspector General is on a separate appropriation and is not included in this table. The discretionary request is comprised of a Salaries and Expenses appropriation and a limitation on transfers from OPM's Trust Funds.

Discretionary Appropriation Budget by Object Class

| Object Class | FY 2014 Enacted | FY 2015 Request | Increase/Decrease |
|--------------------------------------|----------------------|----------------------|-------------------|
| Personnel compensation | \$112,124,547 | \$108,542,529 | (\$3,582,018) |
| Personnel benefits | \$31,965,629 | \$32,125,534 | \$159,905 |
| Travel and transportation of persons | \$1,090,937 | \$795,350 | (\$295,587) |
| Transportation of things | \$7,234 | \$41,737 | \$34,503 |
| Communications, utilities, and rent | \$27,850,561 | \$26,498,000 | (\$1,352,561) |
| Printing and reproduction | \$933,665 | \$928,293 | (\$5,372) |
| Other services | \$37,365,727 | \$44,127,002 | \$6,761,275 |
| Supplies and materials | \$1,353,242 | \$534,391 | (\$818,851) |
| Equipment | \$1,643,458 | \$871,164 | (\$772,294) |
| Total | \$214,335,000 | \$214,464,000 | \$129,000 |
| FTE | 1,735.3 | 1,701.5 | (34.8) |

OPM's budget remained relatively flat with FY 2014. Within our request however, budgets for personnel compensation and administrative expenses decreased by approximately \$6.8 million dollars. The budget for other services increased by \$6.7 million. In general the other service object class includes training, advisory services, interagency goods and services, and programmatic and operational contracts. OPM's increase represents planned spending on Second Term Management Agenda (STMA) and Information Technology Strategic Plan.

The following table shows a comparison by object class of the expected utilization of OPM's Salaries and Expenses appropriation from enacted FY 2014 to our FY 2015 request. In FY 2015, expenses for personnel are expected to decrease, while expenses for other services increase compared to FY 2014. This increase is primarily related to increased support for workforce data analysis capabilities and investments in OPM's foundational information technology capacity. This increase in other services of \$9.3 million dollars reflects the consolidation of resources for IT investments in enterprise-wide solutions by centralizing IT governance while establishing a strong foundation to support improvements in case management and the HR lifecycle from strategy to separation.

Salaries and Expenses Budget by Object Class

| Object Class | FY 2014 Enacted | FY 2015 Request | Increase/Decrease |
|--------------------------------------|---------------------|---------------------|-------------------|
| Personnel compensation | \$51,529,624 | \$47,234,706 | (\$4,294,918) |
| Personnel benefits | \$14,769,714 | \$14,135,676 | (\$634,038) |
| Travel and transportation of persons | \$792,654 | \$614,009 | (\$178,645) |
| Transportation of things | \$2,907 | \$6,027 | \$3,120 |
| Communications, utilities, and rent | \$11,802,144 | \$8,673,762 | (\$3,128,382) |
| Printing and reproduction | \$179,233 | \$149,153 | (\$30,080) |
| Other services | \$15,273,258 | \$24,647,378 | \$9,374,120 |
| Supplies and materials | \$327,968 | \$205,268 | (\$122,700) |
| Equipment | \$1,079,498 | \$373,021 | (\$706,477) |
| Total | \$95,757,000 | \$96,039,000 | \$282,000 |
| FTE | 873.7 | 843.2 | (31.5) |

The following table shows a comparison by object class of the expected utilization of OPM's Limitation on Trust Fund Transfers from FY 2014 to our FY 2015 request. The decrease in other services of \$2.6 million dollars reflects the consolidation of IT resources previously budgeted in FY 2014 as Trust Fund resources as Salaries and Expenses resources in FY 2015 enabling OPM to make investments to improve IT capabilities with agency-wide benefits.

Trust Fund Limitations – Budget by Object Class

| Object Class | FY 2014 Enacted | FY 2015 Request | Increase/Decrease |
|--------------------------------------|----------------------|----------------------|--------------------|
| Personnel compensation | \$60,594,923 | \$61,307,823 | \$712,900 |
| Personnel benefits | \$17,195,915 | \$17,989,858 | \$793,943 |
| Travel and transportation of persons | \$298,283 | \$181,341 | (\$116,942) |
| Transportation of things | \$4,327 | \$35,710 | \$31,383 |
| Communications, utilities, and rent | \$16,048,417 | \$17,824,238 | \$1,775,821 |
| Printing and reproduction | \$754,432 | \$779,140 | \$24,708 |
| Other services | \$22,092,469 | \$19,479,624 | (\$2,612,845) |
| Supplies and materials | \$1,025,274 | \$329,123 | (\$696,151) |
| Equipment | \$563,960 | \$498,143 | (\$65,817) |
| Total | \$118,578,000 | \$118,425,000 | (\$153,000) |
| FTE | 861.6 | 858.3 | (3.3) |

FY 2015 Budget Request by Organization

OPM's organizations engage in activities and execute strategies to accomplish programs and achieve outcomes for our stakeholders. For a detailed description of OPM's organizations refer to the Organizational Framework section of this document. The primary operational divisions of OPM are Employee Services, Retirement Services, Merit System Accountability and Compliance, Federal Investigative Services, Human Resources Solutions, Planning and Policy Analysis, Healthcare and Insurance, and the Office of Diversity and Inclusion. The associated organizational elements and activities within them have been directly aligned to the OPM's Strategic Goals and corresponding strategies where appropriate.

The following tables show OPM's budget by organization. OPM's executive and administrative offices support all agency functions including those financed with revolving fund receipts or through mandatory administrative transfers from the earned benefit trust funds. This chart displays the total cost of those executive and administrative activities. A portion of the cost of operating these offices is also charged to those non-appropriated sources. The Non-Appropriated contribution to Common Service is shown as a negative value on the chart to tie the OPM total to our discretionary request. Also note that this chart is exclusive of OIG.

OPM Budget FY 2014 & FY 2015 by Organization and Fund—Discretionary Resources

| Organization | FY 2014 Encated Salaries & Expenses | Trust Fund | Common Services | OPM Total | FY 2015 CBJ Salaries & Expenses | Trust Fund | Common Services | OPM Total |
|--|--|----------------------|---------------------|----------------------|---------------------------------------|----------------------|---------------------|----------------------|
| Chief Information Officer | \$7,626,229 | \$8,051,600 | \$35,367,413 | \$51,045,242 | \$6,898,000 | \$7,438,000 | \$36,712,360 | \$51,048,360 |
| Communications & Public Liaison | | | \$2,478,584 | \$2,478,584 | | | \$2,290,000 | \$2,290,000 |
| Congressional, Legislative, & Intergovernmental Affairs | | | \$2,579,103 | \$2,579,103 | | | \$2,383,000 | \$2,383,000 |
| Employee Services | \$29,007,137 | | \$6,901,528 | \$35,908,665 | \$27,375,000 | | \$8,479,158 | \$35,854,158 |
| Equal Employment Opportunity | | | \$976,667 | \$976,667 | | | \$902,000 | \$902,000 |
| Executive Secretariat & Ombudsman | | | \$1,693,489 | \$1,693,489 | | | \$1,565,000 | \$1,565,000 |
| Facilities, Security & Contracting | \$642,000 | | \$11,881,288 | \$12,523,288 | \$593,000 | | \$10,977,000 | \$11,570,000 |
| Federal Prevailing Rate Advisory Committee | \$236,531 | | | \$236,531 | \$219,000 | | | \$219,000 |
| Healthcare & Insurance | \$12,456,627 | \$9,775,909 | | \$22,232,536 | \$11,508,000 | \$9,912,000 | | \$21,420,000 |
| Merit System Accountability & Compliance | \$13,008,192 | | \$1,458,196 | \$14,466,388 | \$12,740,000 | | \$1,347,000 | \$14,087,000 |
| Office of Diversity and Inclusion | \$1,058,976 | | | \$1,058,976 | \$1,088,000 | | | \$1,088,000 |
| Office of the Chief Financial Officer | | \$8,443,613 | \$22,722,155 | \$31,165,768 | | \$7,801,000 | \$21,992,000 | \$29,793,000 |
| Office of the Director | \$240,303 | | \$3,135,809 | \$3,376,112 | | | \$3,159,000 | \$3,159,000 |
| Office of the General Counsel | | | \$6,500,425 | \$6,500,425 | | | \$6,005,000 | \$6,005,000 |
| Planning & Policy Analysis | \$12,450,641 | \$8,489,435 | | \$20,940,076 | \$19,223,000 | \$8,942,000 | | \$28,165,000 |
| Retirement Services | | \$60,495,355 | | \$60,495,355 | | \$57,987,000 | | \$57,987,000 |
| White House Fellows | \$835,890 | | | \$835,890 | \$772,000 | | | \$772,000 |
| Rent | \$11,239,339 | \$14,296,102 | \$1,726,343 | \$27,261,784 | \$9,753,000 | \$16,190,000 | \$378,000 | \$26,321,000 |
| OPM Sub Total | \$88,801,865 | \$109,552,014 | \$97,421,000 | \$295,774,879 | \$90,169,000 | \$108,270,000 | \$96,189,518 | \$294,628,518 |
| Appropriated Contribution to Common Services | \$6,955,135 | \$9,025,986 | \$0 | | \$5,870,000 | \$10,155,000 | \$0 | |
| Non- Appropriated Contribution to Common Services | \$0 | \$0 | \$0 | (\$81,439,879) | \$0 | \$0 | \$0 | (\$80,164,518) |
| OPM Total | \$95,757,000 | \$118,578,000 | \$97,421,000 | \$214,335,000 | \$96,039,000 | \$118,425,000 | \$96,189,518 | \$214,464,000 |

This chart includes resources for the Chief Human Capital Officers Council, which is chaired by OPM. The council is financed by contributions from other Federal agencies. This chart shows the total of operating resources that OPM plans to use in FY 2015. This includes:

- Advances and Reimbursements from other agencies for services performed on behalf of those agencies or to finance shared commitments such as the Chief Human Capital Officers Council.
- Common Services which is an internal fund comprised of contributions from all of OPM's funding sources to finance the administrative and leadership functions within the agency.

The requested budgets for many organizations within OPM decreased slightly to enable OPM to direct resources toward Information Technology Strategic Plan, data integration, and analysis in support of OPM's mission as reflected in the our Strategic Plan for FY 2014- 2018. The FY 2015 budget seeks increases in the Office of the Chief Information Officer (CIO), Federal Investigative Services (FIS), Policy Planning and Analysis (PPA), and Retirement Services (RS). The increase within CIO is attributed to the consolidation resources for OPM's Retirement Services Information Technology improvement efforts including case management. Overall, FIS is projecting an increased workload in FY 2015. PPA's budget increase is attributed to the realignment of S&E resources for EHRI from CIO to PPA along with resources budgeted for enhanced data analytic capacity in support of the STMA. Resources for RS modestly increase in FY 2015 and sustain the organization's existing capacity.

OPM's FTE utilization in FY 2015 will increase by 27.7 FTE. When viewed at the organizational level, FTE utilization is projected to increase in 2 of OPM's 20 organizational components (excluding the staff of OPM's Inspector General). FTEs are projected to increase in FIS and PPA. FIS's increase is attributed to staffing needs to meet new Federal security standards. The FTE increase in PPA is attributable to supporting the new Affordable Care Act workload, the reorganization of some functions including staff from the Office of the Chief Information Officer, and restoring staff in mission critical areas.

OPM Budget FY 2014 & FY 2015 by Organization—All Resources

| OPM Budget Authority | FY 2014 Enacted | | FY 2015 CBJ | |
|--|-----------------|---------|-----------------|---------|
| | Dollars | FTE | Dollars | FTE |
| Chief Human Capital Officer Council | \$779,950 | 4.5 | \$718,847 | 4.8 |
| Chief Information Officer | \$127,935,239 | 366.7 | \$135,375,168 | 315.6 |
| Communications & Public Liaison | \$2,478,584 | 20.0 | \$2,290,000 | 16.0 |
| Congressional, Legislative and Intergovernmental Affairs | \$2,579,103 | 19.0 | \$2,383,000 | 19.0 |
| Employee Services | \$39,818,716 | 267.8 | \$38,436,682 | 255.5 |
| Equal Employment Opportunity | \$976,667 | 10.0 | \$902,000 | 9.0 |
| Executive Secretariat | \$1,693,489 | 14.0 | \$1,565,000 | 13.0 |
| Facilities, Security & Contracting | \$12,523,288 | 110.0 | \$11,570,000 | 102.0 |
| Federal Investigative Services | \$1,058,764,793 | 2,530.0 | \$1,132,617,689 | 2,726.0 |
| Federal Prevailing Rate Advisory Committee | \$236,531 | 1.0 | \$219,000 | 1.0 |
| Healthcare & Insurance | \$42,284,737 | 140.3 | \$39,975,002 | 133.3 |

| OPM Budget Authority | FY 2014 Enacted | | FY 2015 CBJ | |
|--|------------------------|----------------|------------------------|----------------|
| | Dollars | FTE | Dollars | FTE |
| HR Solutions | \$381,196,000 | 412.0 | \$392,613,817 | 354.1 |
| Merit System Accountability & Compliance | \$17,788,388 | 110.2 | \$16,199,533 | 97.0 |
| Office of Diversity and Inclusion | \$1,058,976 | 7.0 | \$1,088,000 | 7.0 |
| Office of the Chief Financial Officer | \$31,165,768 | 157.7 | \$29,793,000 | 133.0 |
| Office of the Director | \$3,376,112 | 17.0 | \$3,159,000 | 14.5 |
| Office of the General Counsel | \$6,500,425 | 38.0 | \$6,005,000 | 34.0 |
| Office of the Inspector General | \$26,024,000 | 145.0 | \$25,724,000 | 145.0 |
| Planning & Policy Analysis | \$25,005,076 | 76.1 | \$32,230,000 | 105.2 |
| Retirement Services | \$99,100,355 | 970.0 | \$100,892,000 | 960.0 |
| White House Fellows | \$835,890 | 5.0 | \$772,000 | 4.0 |
| Rent | \$27,261,784 | 0.0 | \$26,321,000 | 0.0 |
| OPM Total | \$1,909,383,871 | 5,421.3 | \$2,000,849,738 | 5,449.0 |

FY 2015 Performance Budget Request by Program Inventory

The GPRA Modernization Act of 2010 requires Federal Agencies to conduct a central inventory of programs during fiscal years 2013 and 2014. OPM completed this inventory, and has assigned budget to each of the ten programs in OPM’s purview. Descriptions of each program and distribution of OPM’s budget to each is shown in the Program Inventory section of this document. This section and budgetary estimates describe each of OPM’s 10 programs across organizational entities and how those components contribute to OPM’s broader strategic goals and specific strategic objectives. The primary core programs of OPM are Federal Employee Policy Oversight, Federal Employee Healthcare and Insurance, National Healthcare Operations, Federal Investigative Services, Federal Agency Human Resources Services, Merit System Accountability & Compliance Oversight, Office of the Inspector General, Federal Employee Retirement, USAJOBS, and Federal Human Resources Information Technology Transformation (HRITT). The programs and the associated organizational elements and activities within them are directly aligned to the OPM’s strategic goals and corresponding strategies. The following table shows the budget request for programs fully or partially financed with discretionary resources. It excludes the USAJOBS program, which is financed completely from OPM’s Revolving fund, and only shows the discretionary resources assigned to the Federal Investigative Services program and Federal Agency Human Resources Services program.

OPM Budget FY 2014 & FY 2015 by Program Inventory—Discretionary Funds

| Program | FY 2014 Enacted | | FY 2015 CBJ | |
|---|-----------------|-------|--------------|-------|
| | Dollars | FTE | Dollars | FTE |
| Federal Employee Policy Oversight | \$32,667,371 | 199.5 | \$33,235,084 | 189.5 |
| Federal Employee Healthcare and Insurance | \$18,517,353 | 108.4 | \$16,419,239 | 110.3 |
| National Healthcare Operations | \$17,630,379 | 56.0 | \$16,557,207 | 74.1 |
| Federal Investigative Services | | | \$161,304 | 1.0 |

| Program | FY 2014 Enacted | | FY 2015 CBJ | |
|---|----------------------|----------------|----------------------|----------------|
| | Dollars | FTE | Dollars | FTE |
| Federal Agency Human Resources Services | | | \$61,256 | 0.3 |
| Merit System Accountability & Compliance Oversight | \$11,697,050 | 90.3 | \$11,345,652 | 80.9 |
| Office of the Inspector General | \$26,024,000 | 145.0 | \$25,724,000 | 145.0 |
| Federal Employee Retirement | \$60,495,355 | 663.0 | \$65,889,893 | 695.0 |
| Federal Human Resources Information Technology Transformation | \$9,877,422 | 24.6 | \$8,599,383 | 13.5 |
| Government-wide Function and OPM Administrative | \$144,889,949 | 593.5 | \$142,359,500 | 536.9 |
| | \$321,798,879 | 1,880.3 | \$320,352,518 | 1,846.5 |
| Non- Appropriated Contribution to Common Services | (\$81,439,879) | | (\$80,164,518) | |
| OPM Total | \$240,359,000 | 1,880.3 | \$240,188,000 | 1,846.5 |

Note: This chart includes the total cost of executive and administrative activities. A portion of the cost of operating these offices is also charged to non-appropriated sources. The Non-Appropriated contribution to Common Services is shown as a negative value on the chart to tie the OPM total to our discretionary request.

FY 2015 Budget Request by Strategic Goals

OPM is releasing our strategic plan for fiscal years 2014 through 2018 concurrent with this budget justification. The plan contains five goals that are internally-focused on OPM systems and processes that enable the agency to deliver on its mission, and four goals that are externally-focused on OPM's responsibilities as the lead agency for human resources policy, human resources products and services, benefits policy and administration, and background investigation services.

OPM's strategic vision is to provide the Federal Government the resources necessary to become America's model employer for the 21st century. OPM's FY 2015 Performance Budget reflects how the agency will fulfill its mission to *Recruit, Retain, and Honor a World-Class Workforce to Serve the American People*. The following table shows OPM's budget request by strategic goal.

OPM Budget FY 2015 by Strategic Goal—Discretionary

| STRATEGIC_GOAL | FY 2015 CBJ | |
|---|--------------|-------|
| | Dollars | FTE |
| Diverse and Effective OPM Workforce | \$7,395,324 | 52.1 |
| Timely, Accurate, and Responsive Customer Service | \$3,295,366 | 23.0 |
| Evidence-Based Policy and Practices | \$2,547,727 | 16.8 |
| Efficient and Effective Information Systems | \$65,432,552 | 204.8 |
| Transparent and Responsive Budgets | \$8,168,085 | 39.0 |
| Engaged Federal Workforce | \$8,960,385 | 34.0 |
| Improved Retirement Services | \$57,451,893 | 647.0 |
| Enhanced Federal Workforce Integrity | \$17,063,956 | 119.3 |
| Healthier Americans | \$29,199,771 | 174.9 |

| STRATEGIC_GOAL | FY 2015 CBJ | |
|---|----------------------|----------------|
| | Dollars | FTE |
| Additional Government-wide Mandated or Compliance Function Supported by OPM | \$26,125,085 | 158.0 |
| Enabling Structural Capacity Functions of OPM | \$94,712,374 | 377.7 |
| | \$320,352,518 | 1,846.5 |
| Non- Appropriated Contribution to Common Services | (\$80,164,518) | |
| OPM Total | \$240,188,000 | 1,846.5 |

Note: This chart includes the total cost of executive and administrative activities. A portion of the cost of operating these offices is also charged to non-appropriated sources. The Non-Appropriated contribution to Common Services is shown as a negative value on the chart to tie the OPM total to our discretionary request.

OPM’s nine strategic goals and corresponding strategies are designed to guide the internal management of OPM and help other Federal agencies achieve their missions and produce superior results.

1. **Attract and engage a diverse and effective OPM workforce** – OPM’s performance is largely dependent on the performance of its employees. In order to attract and engage a diverse and effective OPM workforce, we must invest in our most valuable resource – our employees.
2. **Provide timely, accurate, and responsive service that addresses the diverse needs of our customers** – OPM has a customer base that includes Federal employees, retirees, human resources professionals, agencies, uninsured Americans and job applicants. It may not be possible to have a single approach to customer service to meet their diverse needs, but they should expect a consistently high standard of service quality.
3. **Serve as the thought leader in research and data-driven human resource management and policy decision making** – As the Federal Government’s HR leader, OPM designs and executes policies that touch Federal agencies, their leaders, employees, applicants, retirees and survivors. As part of our mission, we collect, manage, and analyze a range of HR data from a variety of sources. Increased data integration will enrich the data that OPM uses to support policy development and operations.
4. **Manage information technology systems efficiently and effectively in support of OPM’s mission** – Given the critical importance of information to human resource management, OPM should have a clear, unified IT strategy that will assure scarce resources dedicated to IT are being spent wisely and based on agency business priorities.
5. **Establish responsive, transparent budgeting and costing processes** – The alignment and tracking of budgetary resources to each element of OPM’s strategic plan will ensure a continuous focus on achievement of the agency’s strategic goals.
6. **Provide leadership in helping agencies create inclusive work environments where a diverse Federal workforce is fully engaged and energized to put forth its best effort, achieve their agency’s mission, and remain committed to Federal service** – Employee engagement has been linked to important outcomes, including agency performance, sick leave usage, EEO complaints, and turnover. Key drivers of employee engagement are communication, employee involvement, opportunities for development, and recognition. Strong and inclusive leadership and supervision are also critical to ensuring an engaged workforce.

7. **Ensure that Federal retirees receive timely, appropriate, transparent, seamless and accurate retirement benefits** – OPM administers retirement and insurance benefits for approximately 2.5 million annuitants, survivors and family members. We must ensure quality delivery of those benefits and respond to retiree questions and concerns in a caring and timely manner.
8. **Enhance the integrity of the Federal workforce** – OPM is responsible for ensuring that those whom agencies select and retain are fit to serve. To do this, we must develop and implement consistent, uniform policies, tools, and processes for determinations of suitability. Executing these responsibilities encompasses the collection of background information.
9. **Provide high quality health benefits and improve the health status of Federal employees, Federal retirees, their families, and populations newly eligible for OPM-sponsored health insurance products** – High-quality health insurance promotes access to care, supports better health and better care, empowers enrollee choice, and increases employee loyalty. Better care prevents long term disability and disease, stabilizes chronic conditions, and minimizes hospitalization. Additional benefits, such as life, long term care, dental and vision insurance, improve employee quality of life, meet unique family needs, and increase employee loyalty.

Aligned with the four externally focused program outcome strategic goals, OPM has established the following agency priority goals:

1. Retirement claims processing improvements;
2. Improve the Oversight and Quality of Background Investigation Processing;
3. FEHB Efficiency and Accountability Improvements;
4. Closing the Skills Gap for the HR Workforce; and
5. Promote Diversity and Inclusion.

A detailed description of each priority goal is in the Agency Priorities Goals section of this document. A strategy level description for each strategic goal and the resources budgeted for each strategy in FY 2015 is shown in the Budget by Strategy section of this document.

Management Challenges

The FY 2014 omnibus appropriation requires that

“Within the fiscal year 2015 budget justification materials submitted to the Committees on Appropriations, each executive agency covered in this division is directed to include a separate table briefly describing the top management challenges for fiscal year 2014 as identified by the agency inspector general, together with an explanation of how the fiscal year 2015 budget request addresses each such management challenge.”

In the agency’s FY 2013 Annual Financial Report, OPM’s Office of the Inspector General (OIG) identified the top management challenges facing the Agency. The OIG divided the challenges into two key types: environmental challenges that result mainly from factors external to OPM and may be long

term or even permanent; and internal challenges, which OPM has more control over and which are likely short-term, temporary challenges. The top management challenges facing OPM are shown below:

1. Environmental Challenges – are due to such things as increased globalization, rapid technological advances, shifting demographics, national security threats, and various life considerations that are prompting fundamental changes in the way the Federal Government operates.
 - Strategic Human Capital;
 - Federal Health Insurance Initiatives; and,
 - Background Investigations.
2. Internal challenges relate to current program activities that are critical to OPM’s core mission, and while impacted to some extent by outside stakeholders, guidance, or requirements, they have minimal external influence, but demand significant attention, effort, and skill from OPM in order to be successfully addressed.
 - Information System Development;
 - Information Security Governance;
 - Financial Management System and Internal Controls; Revolving Fund and Salaries and Expenses Accounts;
 - Stopping the Flow of Improper Payments; and,
 - Retirement Claims Processing.

During FY 2013, OPM made significant strides in addressing the management challenges identified by the OIG. A detail accounting of OPM’s FY 2013 actions to address the management challenges can be found in OPM’s FY 2013 Agency Financial Report at <http://www.opm.gov/about-us/budget-performance/performance/2013-agency-financial-report.pdf>. Below is a table briefly describing the top management challenges and how the fiscal year 2015 budget request addresses each management challenge.

| Environmental Challenge | |
|---|--|
| Strategic Human Capital – Hiring Reform, Veterans Employment Initiative, and Closing the Skill Gaps | |
| Hiring Reform | <p>Challenge: Government-wide goal of hiring a Federal employee within 80 days across all agencies.</p> <p>FY 2015 Action: OPM will continue to monitor on a quarterly basis, the time to hire Government-wide by providing agencies support and guidance.</p> <p>Improving the quality and timeliness of background investigations goal supports OPM’s Strategic Goal “Enhanced Federal Workforce Integrity” and supports the specific strategy to enhance policy, procedures and processes used to ensure people are fit to serve. See Strategy 8.01</p> |
| Veterans Initiative | <p>Challenge: To continue to ensure that Federal agencies respect and apply veterans’ preference laws, rules and regulations while using the tools that have been made available.</p> <p>FY 2015 Action: To continue to improve the opportunities for veterans and transitioning military</p> |

Environmental Challenge

service members seeking Federal employment. Over the last year, veterans' hiring continued to meet and surpass benchmarks. OPM is committed to a diverse workforce, and have been working to involve hiring managers in recruiting and outreach. OPM will expand its recruiting and outreach efforts by leveraging available networks which have not been tapped into yet (i.e. Community Organizations and Professional Associations). See Strategy 1.01

Enhance adherence to merit principles by ensuring that 80 percent or greater of delegated examining units with identified severe problems demonstrate satisfactory level of competence within one year or cease to independently operate. See Strategy 8.02 for additional details.

Closing the Skill Gaps

Challenge: Re-evaluate the selected government-wide and agency specific Mission Critical Occupations and Mission Critical Competencies to determine which occupations and competencies should remain.

FY 2015 Action: OPM will assist agencies in identifying and closing skills gaps, by being responsive to changing applicant and workforce needs, and continue to monitor organizations performance measures in efficiency, effectiveness, and progress. OPM will conduct a skills gap analysis that identifies the skill requirements of the OPM workforce. OPM will implement an initiative called "Strategic Workforce Planning (SWP)" which will provide government-wide models, tools and best practices to support OPM's creation of a workforce plan and gap closure strategy. See Strategy 1.03

Support practitioners and other officials in closing HR skills gap by developing policy and technical guidance to address labor and employee relations matters. See Strategy 8.03 for additional details.

Federal Health Insurance Initiatives – Federal Employees Health Benefits Program (FEHBP) and Affordable Care Act (ACA)

Federal Employees Health Benefits Program (FEHBP)

Challenge: OPM must continue to ensure the FEHBP contracts with insurance carriers offer comprehensive healthcare benefits at a fair price.

FY 2015 Action: OPM will continue the following initiatives to help ensure that the FEHBP continues to offer enrollees quality healthcare services at fair and reasonable premium rates:

- 1) Program-wide Claims Analysis/Health Claims Data Warehouse (HCDW) – The HCDW project is an initiative to collect, maintain, and analyze data on an ongoing basis. OPM will continue to build out the HCDW for the purpose of gathering enrollment data on tribal employees. See Strategies 4.03, 9.01, and 9.02
- 2) Prescription Drug Benefits and Costs – OPM will continue to evaluate the relative costs and benefits of direct contracting for Pharmacy Benefit Managers (PBMs) services in order to further reduce prescription drug costs, as well as strengthen the controls and oversight of the FEHBP pharmacy benefits. See Strategies 9.01 and 9.02
- 3) Medical Loss Ratio Implementation and Oversight – Community Rated carriers participating in the FEHBP must spend the majority of their FEHBP premiums on medical claims and approved quality health initiatives. If they don't, they risk having to return the excess premiums in the form of a rebate to the FEHBP. OPM's carrier contract management efforts under strategy 9.01 will monitor MLR reporting to the Department of Health and Human Services.
- 4) Health Benefit Carriers' Fraud and Abuse Programs – OPM has updated guidance to carriers, seek to develop reasonable standards that might lead to a form of accreditation, and refine the measures by which carrier Fraud and Abuse programs can be shown to be a benefit to the FEHBP. See Strategy 9.02

Environmental Challenge

Affordable Care Act (ACA)

Challenge: To make Multi-State Plan Program (MSPP) health insurance options available for enrollment by October 2013 and to do so without an appropriate amount of resources.

OPM currently offers insurance options on 31 state exchanges. OPM expects to extend options to 36 states for 2015 contracts. OPM is seeking access to a portion of the user fees charged to carriers participating on state exchanges to offset our cost of operation. If OPM gains access to these fees, we may not need appropriations in the long term to cover our costs; but as enrollment in the MSP options grows, the amount of appropriations we require will shrink, and we will evaluate on an on-going basis whether the fees will become sufficient to cover all of the operating costs.

FY 2015 Action: Over the past three fiscal years, OPM has received limited funding from the Department of Health and Human Services (HHS) which enabled OPM to establish policy and operational teams to review program and policy issues related to implementing MSPP. OPM will continue to provide program and policy support. OPM will continue to expand the MSP program by adding new plans, new states, and a second contracted MSP to this program. The MSP will also provide coverage in additional states and geographic areas within states. See Strategies 9.01- 9.03

Background Investigations

Background Investigations

Challenge: To ensure that background investigations are performed with a high level of quality assurance.

FY 2015 Action: OPM is revising tools and measures to universally assess quality, along with developing automated tools to support efficiency and consistency. See Strategy 8.01.

Internal Challenge

Information System Development

Information System Development

Challenge: The Office of the Chief Information Officer (OCIO) will oversee all OPM system development projects.

FY 2015 Action: OCIO will continue to enforce its new system development life cycle (SDLC) policy for all system development projects and augment system development with “Agile” policies and procedures that support iterative development, a flexible Enterprise Architecture, and dedicated empowered teams. We will review the current OPM SDLC and related templates, OPM’s IT Security and Privacy (ITSP) policy and procedures, and successful practices from industry. We will also document tools and techniques used by OPM project teams that are already using agile IT. The very foundation of these development techniques is IT security for all solutions from the start and IT security compliance throughout the life cycle during our periodic program reviews. See Strategies 4.01-4.04

Information Security Governance

Information Security Governance

Challenge: Managing an information security program to reduce risk to agency operations and fully staff the Information Systems Security Officers (ISSO) Team.

FY 2015 Action: OCIO will continue to manage the IT Information Security responsibilities and is also working with the Department of Homeland Security (DHS) to implement Continuous Diagnostic and Mitigation (CDM) using government-wide Information Security Continuous Monitoring (ISCM) tools to enhance our ability to identify and respond, in real time or near real time, to the risk of emerging cyber threats. Through this implementation, we will automate the following information security capabilities: software and hardware inventories, configuration management, and vulnerability assessments. We will continue to centralize security management and accountability into the Office

Internal Challenge

Information System Development

of the CIO and staff it with security professionals who are fully trained and dedicated to information security on a full-time basis. See Strategy 4.02

Stopping the Flow of Improper Payments

Stopping the Flow of Improper Payments

Challenge: To address improper payment issues in order to improve the proactive improper payment detection and prevention efforts.

FY 2015 Action: OPM will continue its efforts to make improvements in reducing improper payments by increasing its financial management capabilities and update annually its strategic plan for stopping improper payments to deceased annuitants. Resources have been dedicated to expanding the capabilities of the web-base application known as “Services Online” for Retirement Services. One of the results of this investment will be a decrease in improper payments due to an increase in the accuracy of a retiree’s file information. See Strategies 4.04 and 7.02. The 2015 President’s Budget includes a legislative proposal to resolve retroactive disability benefits coordination between OPM and the Social Security Administration (SSA). OPM estimates that the impact of this legislation would produce a reduction in improper payments and yield a savings of approximately \$41 million a year, beginning in FY 2017.

Retirement Claims Processing

Retirement Claims Processing

Challenge: Timely issuance of full annuity payments to annuitants.

FY 2015 Action: OPM remains committed to providing accurate and timely processing of retirement claims. Retirement Services will continue to meet the challenge by implementing its strategic plan which consists of four key areas: People, Productivity and Process Improvements, Partnering with Agencies, and most importantly, Progressive IT Improvements. Resources will be dedicated to a variety of system activities focused on improving the existing retirement systems. The result will be improvements in processing time, increased automation in current and future business practices, and enhanced ability to accept and process data received from agencies in an electronic format. Investing in information technology tools and solutions such as the development of a full case management system and workflow capability to facilitate payment of accurate and timely benefits payments. See Strategy 4.04

Procurement Process for Benefit Programs

Procurement Process for Benefit Programs

Challenge: To improve the procurement process for BENFEDS, Federal Employees Dental and Vision Insurance Program (FEDVIP), the Federal Long Term Care Insurance Program (FLTCIP), and the Federal Flexible Spending Account Program (FSAFeds).

FY 2015 Action: OPM will continue its efforts to make improvements in the procurement process of the afore-mentioned special benefit programs.

OPM will also continue to include new carriers in the Federal Employees Health Benefits (FEHB) and FEDVIP to provide enrollees with variety and value. See Strategy 9.02

Appropriations Language

Salaries & Expenses (Including Transfer of Trust Funds)

For necessary expenses to carry out functions of the Office of Personnel Management (OPM) pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of OPM and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, \$96,039,000, of which \$642,000 may be for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 4001 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management; and in addition \$118,425,000 for administrative expenses, to be transferred from the appropriate trust funds of OPM without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8958(f)(2)(A), 8988(f)(2)(A), and 9004(f)(2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of OPM established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2015, accept donations of money, property, and personal services: *Provided further*, That such donations, including those from prior years, may be used for the development of publicity materials to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OIG Salaries & Expenses (Including Transfer of Trust Funds)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, \$4,384,000, and in addition, not to exceed \$21,340,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

General Provision

During fiscal year 2015, for each employee who-- (1) retires under section 8336(d)(2) or 8414(b)(1)(B) of Title 5, United States Code, or (2) retires under any other provision of subchapter III of chapter 83 or chapter 84 of such title 5 and receives a payment as an incentive to separate, the separating agency shall remit to the Civil Service Retirement and Disability Fund an amount equal to the Office of Personnel Management's average unit cost of processing a retirement claim for the preceding fiscal year. Such amounts shall be available until expended to the Office of Personnel Management and shall be deemed to be an administrative expense under section 8348(a)(1)(B) of title 5, United States Code.

Payment to Civil Service Retirement and Disability Fund

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: Provided, That annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950 (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

Government Payment for Annuitants, Employee Life Insurance

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

Government Payment for Annuitants, Employees Health Benefits

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), such sums as may be necessary.

Agency Priority Goals

Agency Priority Goals are measurable commitments that reflect OPM's progress toward the long-term, outcome-focused goals in our Strategic Plan. However, the Agency Priority Goals do not reflect the full scope of the agency's mission. Agency Priority Goals are near-term outcomes that demonstrate OPM's continued commitment to improve customer responsiveness and efficiencies. Further, these goals are operationalized through OPM's implementation of each goal, and do not require new legislative authority or significant fiscal resources.

Rather, the Agency Priority Goals represent a subset of the agency's strategic goals and directly contribute to the advancement of OPM's strategies as expressed in the agency's Strategic Plan. In addition, the goals support organizational enhancements to the quality of operations and timeliness of services provided for our customers.

The goals represent priorities for both the Administration and OPM, and inform data-driven decision-making. These goals are relevant to the public, are aligned to the agency's mission areas, and will produce significant results.

The following are the areas of focus for OPM's FY 2014-2015 Agency Priority Goals:

1. Retirement claims processing improvements;
2. Improve the Oversight and Quality of Background Investigation Processing;
3. FEHB Efficiency and Accountability Improvements;
4. Closing the Skills Gap for the HR Workforce; and
5. Promote Diversity and Inclusion.

Please refer to www.Performance.gov for program contributions to our agency Priority Goals and Cross-Agency Priority (CAP) Goals. OPM currently contributes to the following CAP Goal: "Closing Skill Gaps."

Reduce Federal retirement processing time by making comprehensive improvements

Priority Goal Statement:

Reduce Federal retirement processing time by making comprehensive improvements and move toward electronic processing of all retirement applications. Starting July 1, 2014, process 90 percent of cases in 60 days or less. By the end of FY 2015, increase the use of services on-line by 25 percent (from a baseline of 367,000 annuitants), and increase the percentage of complete cases received from agencies to 95 percent or greater (from a baseline of 89 percent) with the long term goal of 100 percent of cases received as complete. In addition, by FY 2015, OPM will develop capabilities to receive electronic retirement applications.

Strategic Goal Alignment:

Strategy 7.01 Advance the 21st century customer-focused retirement processing system for claims adjudication in a timely and accurate manner.

Overview

The Office of Personnel Management (OPM) is responsible for the administration of the Federal Retirement Program covering over 2.7 million active employees and 2.5 million annuitants. This responsibility is shared with agency partners who counsel their employees and administer the initial retirement application process, and submit the employee's application, with all supporting documentation, to OPM's Retirement Services. OPM remains committed to improving all areas of retirement case related production by refining and implementing Lean Six Sigma activities, providing needed training and development, and diverting resources to areas needing concentrated efforts. In order to make comprehensive improvements to retirement claims processing, Retirement Services will continue to focus on the following four pillars: People; Productivity and Process Improvement; Partnerships with Agencies; and Partial, Progressive IT Improvements.

Key Performance Measures

The accuracy and completeness of the retiree data OPM receives from the other Agencies is the key driver of the quality and timeliness associated with each individual retirement claim. To increase the numbers of retirement records OPM receives that are complete and do not require development actions, OPM conducts audits on all agency retirement packages during the screening and development stage of processing. Results are entered into the Agency Audit Tracking System and reports are generated that calculate the government wide and individual agency accuracy rates. The percentage of new claims with errors is reported monthly on the OPM web site and a detailed report is provided to the Agency Benefits Officers for each agency and Chief Human Capital Officers (CHCOs) on the CHCO council. Working with Agency Benefits Officers and CHCOs is fundamental to improving the accuracy and completeness of incoming claims. By continuing to use this approach, OPM will maintain 90 percent or greater complete cases received from agencies.

OPM will also make comprehensive improvements to the retirement claims process by reducing the inventory of cases such that 90 percent of cases are processed within 60 days or less. The claims inventory is defined as all new pending claims under the Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS), including all non-disability claims and disability claims after a determination has been made that disability retirement under CSRS or FERS is warranted.

| Key Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Ratio of complete retirement submissions received from agencies | 77% | 82% | 85% | 92% | 92% | 92% |
| Percent of retirement claims processed within 60 days | N/A* | N/A* | N/A* | N/A* | 90%** | 90% |

* New measure N/A--no historical data available for these periods

** Start date for measurement will begin July 1, 2014

Implementation Strategy

In January of 2012, OPM's Retirement Services (RS) outlined priority goals through its Strategic Plan. The plan also included a focus on four pillars: People, Productivity and Process Improvement, Partnering with Agencies, and Partial, Progressive Information Technology Improvements. By following this four pillar strategy OPM increased monthly adjudication capacity and reduced its inventory of cases. OPM started this goal in 2013 and plans to continue related efforts in FY 2014 and 2015. OPM believes this priority goal is still achievable through the continued implementation of the four pillar strategy as outlined below:

I. People

- Maintain appropriate Legal Administrative Specialists (LAS) staffing levels to back fill individuals who retire; and
- Maintain appropriate Customer Service Specialists (CSS) staffing levels to back fill individuals who retire.

II. Productivity and Process Improvement

- Implement Lean 6 Sigma Process Improvement Plan; and
- Resume effective use of overtime if allowable by funding support.

III. Partnering with Agencies

- Work with OPM-HRS to communicate RS strategies and updates in Chief Human Capital Officers Council meetings;
- Maintain 90 percent or greater accuracy and completeness of incoming claims
- Provide continued feedback to agencies on claims deficiencies

IV. Partial, Progressive Information Technology Improvements

- Acquire, Customize, and begin to integrate Case Management System;
 - Pursue long-term data flow strategy;
 - Explore short-term strategy to leverage work agencies do now;
 - Review and upgrade systems used by LAS;
 - Develop capability to receive electronic retirement applications; and
 - Implement the RS Strategic IT Vision through incremental and strategic automation of the process in areas such as retirement calculator.
- The claims inventory is defined as all new pending claims under the Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS), including all non-disability claims and disability claims after a determination has been made that disability retirement under CSRS or FERS is warranted. Other specialty claims and processes, such as Service Credit issues, Court Ordered Benefits, disability retirement determinations or lump sum payments to Federal employees who died while still employed (Death in Service) are not included in this definition. While these claims are important and are tracked separately, they are fundamentally different from the vast majority of our cases.
 - Of the 2.5 million retirees and survivors, over 760,000 users have active Services-On-Line (SOL) accounts. SOL is our on-line tool to process standard post retirement activities such as address changes and other account maintenance functions. OPM is already gathering e-mail addresses of new retirees through the application process, but is also involved in numerous outreach activities to bring awareness to and encourage retirees to use Services-On-Line.

Improve the Oversight and Quality of Background Investigation Processing

Priority Goal Statement:

Ensure that investigations achieve quality standards, while maintaining timeliness goals of the Intelligence Reform and Terrorism Prevention Act of 2004. Throughout FY 2014 and 2015, OPM will target 99 percent or more of all OPM investigations adjudicated as “quality complete” by agencies receiving closed investigations.

Strategic Goal Alignment:

Strategy 8.01 Enhance policy, procedures and processes used to ensure people are fit to serve.

Overview

OPM conducts background investigations to determine if applicants or employees meet the suitability or fitness requirements for employment, or are eligible for access to Federal facilities, automated systems, or classified information. The scope of a background investigation varies depending on the duties and access requirements for the position. Simply put, they help ensure the federal government has the skilled employees it needs to execute the work of the people.

The Intelligence Reform and Terrorism Prevention Act (IRTPA), signed into law in 2004, challenged the Federal government to address longstanding coordination problems that unnecessarily affected the timeliness and quality of security clearances. As a result of actions taken to meet the objectives of IRTPA, the speed of the average security clearance has increased dramatically.

Beginning in FY 2013, the Director of National Intelligence (DNI) further challenged the background investigations process by revising the IRTPA timeliness metrics.

While we have made significant progress on timeliness since 2004, we have maintained our primary focus on delivering top quality products to our customers. OPM will work with our executive branch reform partners to develop and implement Executive Branch quality standards, with a measurement tool designed for universal application during investigative and adjudicative processes. OPM will focus on implementing these additional initiatives while maintaining timeliness objectives. OPM will satisfy all national security standards, deliver quality products, and achieve congressionally mandated timeliness goals.

OPM is sensitive to the fiscal environment and the need for customer agencies (i.e., the employing or sponsoring agencies) to have transparency into the costs of background investigations. To this end, OPM will continue its business efficiency studies to provide more detailed cost data and to optimize our value to our customers, which in turn translates into better value to taxpayers.

Key Performance Measures

Federal government background investigations are conducted for candidates of Federal civilian, military, or Federal contract employment. The high quality investigative process ensures only suitable candidates will

be deemed eligible for access to classified national security information. OPM is committed to a continuous review and evaluation of our processes and operations, along with our interagency partners, to strengthen the program. Focusing on providing a high quality investigative product while delivering it in a timely manner allows investigations services to assess how rapidly they are determining eligibility for access to classified national security information; ultimately, increasing the protection of classified national security information from unauthorized disclosure. Throughout FY 2014 and 2015, OPM will strive to continue to achieve the target of 99 percent of investigations determined to be quality complete. In addition, OPM will continue to meet an 80-day or less average completion time for the fastest 90 percent of initial top secret background investigations, and maintain a 40-day or less average completion time for the fastest 90 percent of initial secret background investigations.

| Key Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Percent of investigations determined to be quality complete* | N/A | N/A | N/A | 99% | 99% | 99% |
| Average number of days to complete the fastest 90% of initial Secret national security investigations** | N/A | N/A | N/A | 40 | 40 | 40 |
| Average number of days to complete the fastest 90% of initial Top Secret national security investigations** | N/A | N/A | N/A | 80 | 80 | 80 |

* Measure was revised and reworded as a positive statement for FY 2013 and beyond

** New measure established for FY 2013 and beyond to meet the DNI goal

Implementation Strategy

The goal of improving the quality while maintaining the timeliness of background investigations supports OPM’s Strategic Goal “Enhanced Federal Workforce Integrity” and supports the specific strategy to enhance policy, procedures and processes used to ensure people are fit to serve. OPM conducts high-quality, timely background investigations used to determine an individual’s suitability for Federal employment. Completed background investigations are also used by Federal agencies to determine an individual’s eligibility for access to classified national security information. Investigations can also be used to determine whether to credential a particular individual to work in a Federal facility or have access to Federal information systems. Military services use investigations to determine whether to enlist an individual into the armed services.

In striving to help agencies recruit and hire the most talented and diverse Federal workforce possible to serve the American people, OPM attempts to ensure agencies have sufficient and timely information to make decisions such as credentialing, suitability, and/or security clearance determinations by:

- Achieving a quality standard in investigations that meets Federal investigative standards to ensure agency protection and satisfaction; and
- Achieving timeliness goals for Top Secret and Secret clearance investigations.

OPM employs new quality assessment tools in our quality review processes to ensure that our background investigations meet investigation standards. In addition, OPM is engaged in an interagency Quality Assessment Working Group that we co-chair with the Department of Defense (DOD) and the Office of the Director of National Intelligence (ODNI). The working group brings together over 20 Federal agencies involved in investigations and adjudications to work to ensure consistency of background investigations across the Federal government and to standardize the evaluation of quality within the Federal government.

The priority goal of investigative timeliness is a legal mandate that OPM has effectively and consistently met over the last several years. Optimal investigative performance is dependent on a proper balance of quality and cost with timeliness. OPM's goal is to ensure we maintain our current timeliness while continuing to emphasize delivering and even further improving on our high-quality products. These strategies and milestones were established understanding that effective support of reciprocity policies which permit agencies to quickly accept the investigative and adjudicative work of other agencies will provide the best value to the American taxpayer.

FEHB Efficiency and Accountability Improvements

Priority Goal Statement:

Improve the efficiency of the Federal Employees Health Benefits Program and affordability of coverage offered to employees. By October 1, 2015, OPM will reduce the rate of growth in per capita spending through a range of activities, including improved data analytics, enhanced accountability measures, and programmatic improvements.

Strategic Goal Alignment:

Strategy 9.02 Optimize insurance related business processes.

Overview

OPM is continuing to focus on ways to optimize pharmacy practices to ensure the safe and clinically effective use of prescription medications while managing drug costs. We have established goals for carriers in several areas of pharmacy benefits management, including overall pharmacy and specialty drug trends as well as generic dispensing rates. We will collect updated data on these measures of pharmacy performance. Most health plans offer programs such as step therapy, medication therapy management programs, and expanded use of prior authorization for selected drugs. Implementing programs of this type and using tiered drug formularies are positively correlated with better performance on overall and specialty drug trends and generic dispensing rates. We will negotiate with FEHB carriers plan to add and expand on these types of drug management programs that control costs and improve quality and patient outcomes.

OPM is implementing an FEHB Health Plan Performance Assessment project to measure and reward all FEHB plan performance (experience-rated and community-rated) through the use of common, objective, and quantifiable performance measures by the 2016 plan year. This will be a new approach to our assessment of the annual performance of health plans contracted under the program. The performance assessment framework will include a discrete set of qualitative and quantifiable performance measures that will be used to assess key aspects of performance. That overall assessment will then be linked to health plan profit factors. There are three primary categories of health plan performance to be assessed: improving health outcomes through quality care, providing effective customer service, and controlling cost growth.

Industry standards state that, in private employer plans, as much as 10 percent of health claim benefits paid are incurred by family members who are not eligible for coverage. The FEHB Program provides approximately 23 billion dollars in benefits annually for those covered under Self and Family enrollments. This may translate to approximately 2.3 million dollars for each percent paid in error. Under current FEHB procedures, agencies and the FEHB carriers both have responsibility for family member eligibility determinations. However, there is no evidence that family member eligibility is systematically verified at the time of the initial enrollment, when enrollment is changed during Open Season or upon experiencing a Qualifying Life Event (QLE) (although some agencies do require documentation for QLE changes) or at any time during the employee's period of coverage. With the advent of electronic

enrollment systems, enrollees can make certain FEHB enrollment changes without submitting any proof to their agency benefit officers.

The extent of ineligible family members covered under FEHB Self and Family enrollments is currently unknown. In addition, presently there is no centralized FEHB enrollment system to maintain a database of eligible enrollees and family members. Enrollment systems that currently exist do not require the input of family member dependent information. Thus, there is no centralized database of the FEHB enrollments and consequently, no mechanism to determine who is receiving benefits under any one Self and Family enrollment.

Key Performance Measures

This is a new initiative for OPM. While OPM has been working closely with FEHB carriers on managing pharmacy costs; the other two initiatives are new for OPM. OPM will develop analytical frameworks to determine potential performance measures for these new programs.

Implementation Strategy

For the new FEHB plan performance initiative, OPM will develop the following framework:

- Agree on the measures, weighting, and scoring.
- Develop a functional dashboard that will be used to determine FEHB performance assessment score and payment.
- Publish final regulations that implement a comprehensive performance assessment system for all FEHB plans.
- Develop mechanisms for community-rated and experience-rated plans that provide sufficient incentives for health plans to make the necessary improvements to achieve success.

In order to determine the extent of any erroneous payments, it is necessary to perform an audit of family members enrolled in the FEHB Program. Ensuring only eligible family members are receiving benefits may result in significant savings for both the Federal Government, which provides a weighted average contribution of 72 percent of premiums with a cap of no more than 75 percent of total program cost, and Federal employees and annuitants who pay approximately 28 percent. In addition, the results of a family member audit will assist in determining if a centralized enrollment system is necessary to maintain an enrollment database of enrollees and only family members whose eligibility is verified; and will help program managers to determine if the scope of the problem warrants changes in the current policies and procedures utilized by Agency Benefit Officers when verifying family member eligibility. Key milestones for this strategy:

1. Procure an experienced contractor to perform a family member eligibility audit on a representative sample of FEHB Self and Family enrollments;
2. Should sample audit indicate the need for further investigation, exercise contract option to audit a payroll shared service center;

3. Review results of sample and payroll shared service audit to determine if an audit of the entire FEHB population is necessary; and
4. Based on results of full audit (if performed), provide recommendations on policies and procedures for agencies and FEHB carriers to follow in verifying family member eligibility.

Closing the Skills Gap for the HR Workforce

Priority Goal Statement:

Professionalize the government-wide HR workforce by implementing a comprehensive HR certification program through HR University, which will greatly aid in achieving the long term goal of improving the quality of HR services government-wide, including measurable improvements in manager satisfaction with the quality of new hires. By end of FY 2015, more than 95 percent of Federal HR professionals (GS-201s/203s) will have registered for HR University. By the end of FY 2015, each HR Technical Area (Employee Relations, Staffing, Compensation, etc.) will have developed its curriculum for the Technical Specialist Role, as a step towards future HR Certification professional recognition.

Strategic Goal Alignment:

Strategy 8.03 Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements.

Overview

In response to the critical need for ensuring that the Federal Government possesses the Human Capital required to meet 21st Century mission-related challenges, the Office of Personnel Management (OPM) designated closing skills gaps as one of its key management initiatives. This goal has also been designated a Cross Agency Priority Goal. The initiative is being implemented in phases:

Phase I created a government-wide strategic workforce planning method through which agencies and the Chief Human Capital Officers Council (CHCOC) could identify occupations and competencies where staffing gaps could jeopardize the ability of the Government or specific agencies to accomplish their mission. Agencies and the CHCOC used this common method to identify their occupations and competencies for skills gaps closure. Based on this analysis, the CHCOC identified six mission critical occupational groups and seven competencies, requiring government-wide focus. The six occupational groups are Cybersecurity, Acquisition, Economist, Human Resources, Auditor and STEM (Science, Technology, Engineering and Mathematics). The seven competencies are strategic thinking, problem solving, data analysis, influencing/negotiating, grants management, grants management compliance, and grants financial management. Successful skills gaps closure is critically dependent on a strong HR workforce who can provide strategies, programs and tools that help occupational leaders design and implement skills gaps closure efforts. For this reason, OPM designated HR Skills Gaps as an Agency Priority Goal.

In Phase II, OPM has designated a sub-goal leader from each of the six occupational groups to partner in designing a workforce strategy that identifies specific pilot projects through which to close skills gaps. OPM's Associate Director for Employee Services has served as the sub-goal leader for HR Skills Gaps Closure. The OPM/ES AD chairs the CHCOC HR Skills Gaps Working Group, which meets monthly to set the direction for skills gap closure, provides research and design support, and makes recommendations to the CHCOC.

Key Performance Measures

The FY 2014 goals are based on the results of the FY 2013 goals and thus they continue moving toward professionalizing the Federal HR workforce. The outcome of the FY 2014 goals is to drive the Federal HR Community to use HR University as the single “one stop” training resource center for HR professionals throughout the Federal Government.

The HR University was created as a result of many surveys, interviews, and focus groups conducted with Federal HR professionals. These assessments revealed an urgency to develop a Federal-wide training center to provide Human Resources training across the Federal HR workforce. In the 21st Century, the roles of a typical Federal HR professional have drastically changed from being “transaction operational” base to evolving into Strategic Business Partners. While the foundation for understanding Federal HR principles is still critical for the HR professional, new skills are also required to close the gap between technical versus strategic HR skills and competencies. HR University provides the following reports:

- **Registered Users in an Agency** – This report provides a snapshot of the number of registered users in an agency. This list is broken down into component/division, based on the component list each HR University Ambassador provided.
- **Registration Snapshot Report – 201/203:** This report provides a snapshot of the total number of HR University registered users in an agency broken down by series (201, 203, and all others). It also shows the percentage of registered 201s and 203s in an agency who have taken a course in their HR Technical Area on HRU.
- **Course Completion Report – 201/203:** This report provides the raw data for the percentage of courses completed by users (201 and 203) in their HR Technical Area.
- **EHRI Reports for an Agency** – This report contains EHRI data for HRU online courses agency employees have completed.

| Key Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| HR University Registration Percentage for HR Workforce (GS-201s/203s) | N/A* | N/A* | N/A* | 51% | 80% | 95% |

* New measure--no historical data available for this period. Baseline will be available end FY 2013 with targets set for FY 2014.

Implementation Strategy

This priority goal supports the President's 2nd Term Management Agenda Cross Agency Priority Goal to "Create a Culture of Excellence and Engagement to Enable Higher Performance" and supports the OPM Strategic Goal "Educate and Certify HR Specialists through HR University and shared communication platforms". The purpose is to professionalize the HR workforce by increasing their skills in general HR knowledge and technical expertise in one or more specialty areas. The CHCOC is working toward these goals through two initiatives: (1) design a comprehensive curriculum and associated development resources for all HR professionals on HR University; and (2) create a certification program that will validate skills attainment by Federal HR professionals.

Last fiscal year, the HR Skills Gap Working Group established two HR University goals to further professionalize the Federal HR workforce. The intent was to drive the Federal HR community to use HR University as a "one-stop shop" for all HR training and developmental needs. HR University (HRU) is the CHCOC's one-stop resource for Federal HR professional education, training and career development. HRU provides career maps, curriculum framework, course catalogues, course registration, online courseware, and learning resources. HRU also provides cross agency mentoring opportunities, a dedicated site for all Federal supervisors/managers interested in developing their talent management skills. In the future, HRU will also link to a talent-matching program that enables HR professionals to engage in cross-agency rotations, developmental assignments, and project-based work. These "on-the-job-training" experiences have been demonstrated as among the most effective ways to build sustainable skills. HRU's curriculum is being designed specifically to enable Federal HR professionals to meet the requirements for certification being developed under the second initiative described below.

OPM exceeded the FY 2013 HR University registration goal of 50 percent with 51 percent of the GS-201/203 population registered on HR University. Our second FY 2013 goal was for 50 percent of HR registered users to complete an HRU course. While only 38 percent of GS-201s/203s completed an HRU course in FY 2013, over 70 percent of all HRU users completed a course. OPM and the CHCOC Working Group will build on the growing popularity and momentum of HRU to continue expanding the registered population and encouraging active participation in HRU services in FY 2014.

The HR Certification Program is focusing on revalidation of the HR competency model, to assure the competencies identified for development are valid for certification. In addition, each specialty area is working toward a future certification program. In the Staffing specialty area, OPM is pilot testing a certification program for the skills required for Delegated Examining (DE). Results of the DE Certification program will inform a complete certification program for the entire Staffing specialty area. In Employee Relations, the CHCOC Working Group has launched design of an interagency rotation program that can help Federal HR specialists meet experience requirements for certification. Both specialty areas have updated HRU career maps and guidance, identified additional courseware required to meet all specialty area certification requirements, and are reviewing courses for posting on HRU.

Promote Diversity and Inclusion

Priority Goal Statement:

OPM will support diversity and inclusion by aligning OPM business intelligence tools to help decision makers, like hiring managers and supervisors, analyze key workforce data including applicant flow, attrition/retention, and inclusion indicators. In so doing, decision makers can develop better outreach and recruitment methods; determine what factors contribute to the retention of a talented workforce; experience cost savings through decreased attrition; and create an inclusive work environment that empowers employees to contribute to their full potential. By September 30, 2015, 95 percent of OPM and 25 percent of government-wide hiring actions will occur following human resources and/or hiring manager's use of a tool to review applicant flow data for individual hiring actions, resulting in measurable improvements in manager satisfaction with the quality of new hires.

Strategic Goal Alignment:

Strategy 1.01 Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce.

Overview

The Office of Personnel Management (OPM) is responsible for the government-wide Diversity and Inclusion effort focused on developing, driving, and monitoring strategies and initiatives designed to create a more diverse and inclusive Federal workforce. Executive Order 13583, "Establishing a Coordinated government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce," challenged the Federal government with leading by example and attaining a diverse, qualified workforce that enables employees to contribute to their full potential. Similarly, Executive Order 13548, "Increasing Federal Employment of Individuals with Disabilities," requires agencies to improve their efforts to employ Federal workers with disabilities and targeted disabilities through increased recruitment, hiring, and retention of these individuals.

In FY 2012, OPM issued the government-wide Diversity and Inclusion Strategic Plan to provide direction to fifty-seven participating agencies under the two subject Executive Orders. The three primary goals in the Plan included:

1. **Workforce Diversity.** Recruit from a diverse, qualified group of potential applicants to secure a high-performing workforce drawn from all segments of American society.
2. **Workplace Inclusion.** Cultivate a culture that encourages collaboration, flexibility, and fairness to enable individuals to contribute to their full potential and further retention.
3. **Sustainability.** Develop structures and strategies to equip leaders with the ability to manage diversity, be accountable, measure results, refine approaches on the basis of such data, and institutionalize a culture of inclusion.

In support of the Diversity goal, OPM seeks to improve applicant flow reporting to enable Human Resources and hiring managers to determine whether recruitment efforts have been successful and to aid in developing future recruitment strategy. Applicant flow data has historically been collected on the basis of race, national origin, and sex. It will now be collected on the basis of disability as well. In addition, the data has been analyzed in an aggregate format; however, through the use of business intelligence

tools, applicant flow data for individual hiring actions will be available for review at the hiring manager level after a vacancy has closed. This disaggregation of the data will provide greater opportunity for planning future recruitment efforts.

To further understand how to create an inclusive work environment where employees are fully engaged and productive, OPM and the Department of Veterans Affairs conducted factor analysis on the Federal Employee Viewpoint Survey and found that twenty questions cluster into five areas or behaviors (*i.e.*, fair, open, cooperative, supportive, and empowering) that create inclusive work environments. Based on these five areas, OPM developed the “New IQ” (Inclusion Quotient) techniques and training to assist managers and supervisors in practicing behaviors that foster inclusion.

OPM will continue to focus on the life cycle of the Federal employee to ensure that the Federal workforce is able to hire and develop the best talent from all segments of society. We will also work on our internal Diversity and Inclusion efforts to ensure that we serve as a model agency by developing recruitment efforts based on data analysis and strategy, and by training our managers and supervisors on how best to foster inclusion in the OPM workplace.

Key Performance Measures

Promoting diversity and inclusion is linked directly to OPM’s strategic goal Diverse and Effective OPM Workforce. This goal ensures that OPM recruitment occurs from all segments of society and efforts are made to retain a diverse workforce. To facilitate implementation of this goal, OPM’s USA Staffing® will work with to develop business intelligence tools that help analyze applicant flow data at the vacancy announcement level after a vacancy has closed. In addition, OPM will serve as a model by implementing techniques from the New IQ, to improve the satisfaction rates in the Federal Employee Viewpoint Survey for all OPM employees, with an emphasis on people with disabilities and the LGBT community, two communities with lower than expected employee satisfaction.

| Key Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Percent of managers that have employed techniques from the new IQ* | n/a | n/a | n/a | n/a | 50% | 95% |
| Percent of applicant flow data that is reviewed by OPM hiring managers* | n/a | n/a | n/a | n/a | 70% | 95% |
| Number of managers trained on the use of the new IQ learning techniques* | n/a | n/a | n/a | n/a | 75% | 98% |

* New measure N/A--no historical data available for these periods

Implementation Strategy

OPM will align business intelligence tools and USA Staffing® reports to reflect applicant flow data to encourage and promote diversity and inclusion. The following strategies will be employed:

- Develop business intelligence tool in 2014

- Provide race, national origin, sex, and disability data by job vacancy, once the vacancy has closed;
 - Information will be delivered and tracked in a dashboard via USA Staffing® to appropriate D&I personnel and hiring managers; and
 - All managers will receive training on the use of the OPM Applicant Flow Data Work Group.
- Track training and use of New IQ techniques by OPM managers and supervisors
 - Provide New IQ training to managers and supervisors;
 - Track the use of New IQ techniques within the OPM workforce; and
 - Analyze Federal Employee Viewpoint Survey scores for all employees, with an emphasis on people with disabilities and the LGBT community.

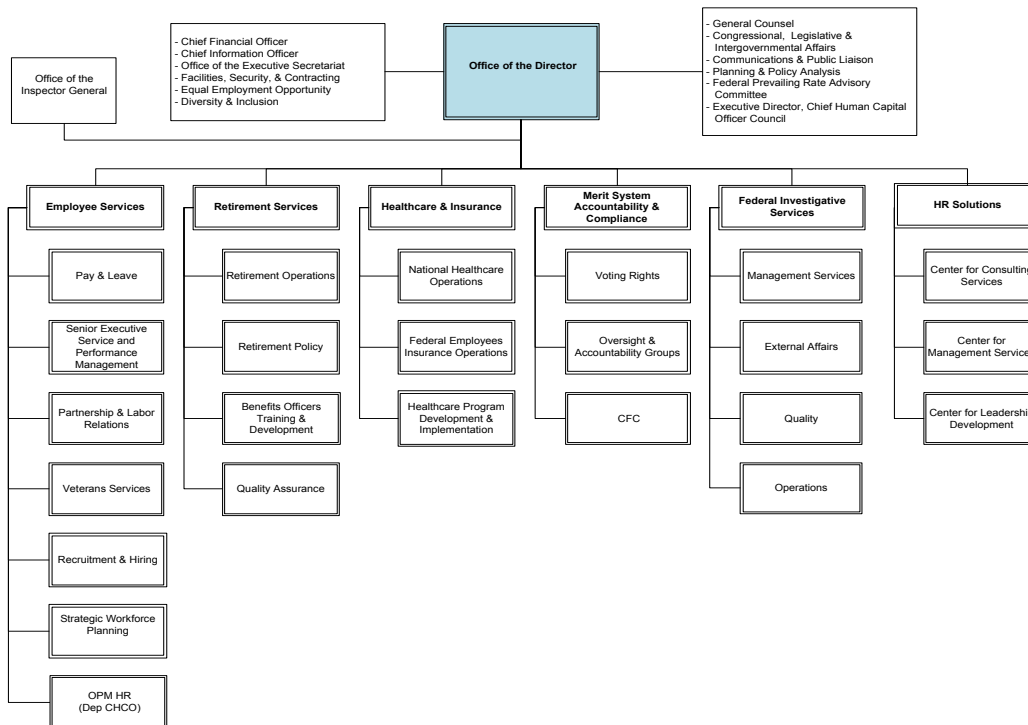
Organizational Framework

The U.S. Office of Personnel Management (OPM) is the Federal Government’s chief human resources agency and personnel policy manager of the Federal workforce. OPM achieves its mission to **Recruit, Retain and Honor a World-Class Workforce to Serve the American People** by directing human resources and employee management, administering retirement, healthcare and insurance programs, overseeing merit-based and inclusive hiring into the civil service, and providing a secure employment process.

The organization framework of the agency consists of organizations and programs that directly or indirectly support the agency mission. This section contains descriptions of each organization and the key roles and responsibilities it plays in contributing to the achievement of OPM’s overall mission. In implementing a new strategic plan it is important to understand to how these organizational budgets align to individual programs and strategies in OPM’s program inventory and strategic plan. The table on the following pages displays this alignment.

Organizational Structure

OPM’s organizational structure reflects primary business lines through which OPM carries out its programs and implements its strategic goals and related implementation strategies. As shown in the figure below, OPM is comprised of the following components:



OPM's organizations are categorized into five different types of offices. These types by office are detailed below:

Executive Offices

- The *Office of the Director (OD)* provides guidance, leadership and direction necessary to make the Federal Government the model employer in the United States, and OPM its model agency. OD looks to provide increased oversight concerning Civil Service Hiring Reform, Retirement Stabilization, Work/Life and Wellness, and moving to an "active purchaser" model for the Federal Employees Health Benefits Program.
- *Communications and Public Liaison (CPL)* is responsible for coordinating a comprehensive effort to inform the public of the President's and the Director's goals, plans and activities through various media outlets. CPL is also responsible for planning and coordinating the publication and production of all printed materials that are generated from OPM offices and develops briefing materials for Congress, the Director and other OPM officials for various briefings and events.
- *Congressional, Legislative and Intergovernmental Affairs (CLIA)* advocates for the legislative and policy priorities of the Director and the Administration. CLIA is the focal point for all congressional and legislative activities for the Office of Personnel Management. CLIA educates, responds to, interacts with, and advises Congress on Federal human resources management policy. CLIA also counsels and advises the Director and other OPM officials on policy, and congressional and legislative matters.
- *Office of the Executive Secretariat* is responsible for the administrative management and support for the Office of the Director, and other executive offices including coordination and review of agency correspondence, policy and program proposals, regulations and legislation.
- *Equal Employment Opportunity (EEO)* provides a fair, legally-correct and expedient EEO complaints process (i.e., EEO counseling, Alternative Dispute Resolution, and EEO Complaints Intake, Investigation, Adjudication, and Record-Keeping). *Diversity and Inclusion (DI)* examines policy options, Government-wide data trends, and employee survey findings that affect OPM's management of HR policy, specifically including diversity and inclusion throughout the Federal Government. D&I develops comprehensive strategies to drive and integrate diversity and inclusion practices throughout the Federal Government and to help build a diverse and inclusive workforce, respecting individual and organizational cultures, while complying with merit principles and applicable Federal laws. D&I designs and implements all required internal OPM Special Observance and Special Emphasis initiatives, to promote diversity management.

Program Divisions

- *Employee Services (ES)* Provides policy direction and leadership in designing, developing and promulgating Government-wide human resources systems and programs for recruitment, pay, leave, performance management and recognition, employee development, work/life/wellness programs and labor and employee relations. ES provides technical support to agencies regarding the full range of human resources management policies and practices, to include veterans' employment as well as the evaluation of their human resource programs. ES manages the operation of OPM's internal human resources program.
- *Retirement Services (RS)* is responsible for Government-wide administration of developing and providing Federal employees, retirees and their families with benefits programs and services that

offer choice, value and quality to help maintain the Government's position as a competitive employer. RS is responsible for administering the Civil Service Retirement System (CSRS) and the Federal Employee Retirement System (FERS), serving 2.5 million Federal retirees and survivors who receive monthly annuity payments. Even after a case is adjudicated and added to the annuity roll, OPM continues to serve annuitants by making address or tax status changes to their accounts, sending out 1099-Rs, surveying certain annuitants to ensure their continued eligibility to receive benefits, and other post adjudication activities.

- *Healthcare & Insurance (HI)* consolidates all of OPM's healthcare and insurance responsibilities into a single organization. This includes new functions such as the Affordable Care Act's Multi-State Plan Option, the work performed by OPM in support of the Pre-existing Condition Insurance Plan (PCIP) program, plus existing responsibilities for the Federal Employees Health Benefits Program (FEHBP), Federal Employee Group Life Insurance (FEGLI), Federal Long Term Care Insurance Program (FLTCIP), the Federal Employee Dental Vision Insurance Plan (FEDVIP), and Flexible Spending Accounts for Federal Employees (FSAFEDS). HI comprises Healthcare Program Development and Implementation, National Healthcare Operations, and Federal Employee Insurance Operations.
- *Merit System Accountability & Compliance (MSAC)* ensures through rigorous oversight that Federal agency human resources programs are effective and meet merit system principles and related civil service requirements. MSAC carries out this responsibility with a staff of employees in five field offices across the nation and Washington, D.C. The three key components of the oversight and compliance programs are (1) Delegated Examining Unit Evaluations, (2) Large Agency Human Resources (HR) Evaluations, and (3) Small Agency HR Evaluations. MSAC also manages the classification appeals program, which provides Federal employees with an independent third-party review of the classification of their decisions and provides evidence as to whether agencies are technically accurate in the use of delegated classification and job grading authority. MSAC has Government-wide oversight of the Combined Federal Campaign (CFC) and the Voting Rights (VR) programs. The mission of the CFC is to promote and support philanthropy through a program that is employee focused, cost-efficient, and effective in providing all Federal employees the opportunity to improve the quality of life for all. The Voting Rights Program provides observers to cover political subdivisions (counties, cities, etc. as determined by the Attorney General) to monitor and report on those elections designated by the Attorney General. Finally, MSAC manages OPM's Office of Internal Oversight and Compliance (IOC). IOC drives the resolution of audit recommendations, conducts program evaluations, and oversees the review of capital investments to strengthen OPM's risk management and operational performance.
- *Federal Investigative Services (FIS)* mission is to ensure the Federal Government has a suitable workforce that protects National Security and is worthy of their Public Trust. FIS is responsible for providing investigative products and services for over 100 Federal agencies to use as the basis for security clearance or suitability decisions as required by Executive Orders and other rules and regulations. Over 90 percent of the Government's background investigations are provided by OPM.
- *Human Resource Solutions (HRS)* provides services that assist Federal agencies in achieving their missions by partnering with them to provide effective human resource solutions that develop leaders, attract and build a high quality public sector workforce, and transform agencies into high performing organizations. HRS also offers services that enhance agencies' ability to attract and

acquire specific talent. HRS also offers services that enhance agencies' ability to attract and acquire specific talent, such as the Administrative Law Judges Program which is responsible for recruiting and examining Administrative Law Judges for employment with Federal agencies nationwide.

Common Services

- *Chief Financial Officer (CFO)* manages and oversees OPM accounting, billing, vendor payments, budgeting, strategic planning, performance, program evaluation, financial systems, internal control and financial policy functions which enable the agency to achieve its mission. CFO also ensures the completion of timely and accurate financial reports that improve decision-making, comply with Federal requirements and demonstrate effective management of taxpayer dollars.
- *Chief Information Officer* develops the Information Resource Management Plan and defines the information technology vision and strategy to include information technology policy and security for OPM. CIO shapes the application of technology in support of the agency's strategic plan including the information technology that outlines the long term strategic architecture and systems plans for agency information technology capital planning. CIO supports and manages pre- and post-implementation reviews of major information technology programs and projects, as well as, project tracking at critical review points. CIO provides oversight of major information technology acquisitions to ensure they are consistent with the agency's architecture and the information technology budget, and is responsible for the development of the agency's information technology security policies. CIO directs the realization of the agency's information technology architecture to guarantee architecture integration, design consistency, compliance with Federal standards, works with other agencies on Government-wide projects such as E-Government, and develops long range planning for human resource information technology strategies.
- *Office of the General Counsel (OGC)* provides expert legal advice to the Director and senior OPM officials to ensure that policies, programs and procedures are consistent with applicable rules, regulations, and statutes affecting civil service personnel law and human resources management. OGC also provides expert legal representation to OPM managers and leaders in an attempt to mitigate the agency's risk of litigation and ensure agency actions are in compliance with applicable statutes, rules, and regulations, and to ensure that agency actions are not unlawful.
- *Facilities Security & Contracting (FSC)* manages the agency's personal and real property, building operations, space design and layout, realty, safety and occupational health programs. FSC provides personnel security and suitability and national security clearance determinations for OPM personnel and directs the operations and oversight of OPM's preparedness and emergency response programs. FSC's contracting group provides centralized contract management that supports the operations and Government-wide mission of OPM. FSC also manages OPM's small business program in conjunction with public law, Federal regulations, and OPM contracting policies.

Other Offices

- *Planning and Policy Analysis (PPA)* provides planning and analytical support to the Director and the agency. PPA assesses issues that affect OPM across the full array of human resources programs and benefits. A particular area of responsibility is the analysis of policy options, legislative changes and trends that affect OPM's management of health and retirement benefits

for Federal employees. To assure benefits provide maximum value and are secure, the office conducts actuarial analysis, as well as statistical analyses using large databases such as the Enterprise Human Resources Integration – Statistical Data Mart (EHRI-SDM) (containing Federal employee data) and the Health Claims Data Warehouse. PPA oversees the strategic planning and policies for the HR LOB and the EHRI data warehouse. PPA also develops and standardizes data analysis policies related to evidence based decisions and practices.

- *OPM’s Performance Improvement Officer (PIO)* is also the director of Planning and Policy Analysis. The Deputy PIO, who is a senior advisor to the OPM Director, supports the PIO in conducting program performance reviews and fostering innovative practices. Staff in the CFO’s Budget and Performance Office helps the PIO monitor agency performance, report on agency performance and conduct performance reviews.
- *Federal Prevailing Rate Advisory Committee (FPRAC)* studies the prevailing rate system and other matters pertinent to the establishment of prevailing rates under subchapter IV of chapter 53 of Title 5, United States Code, and advises the Director of OPM on the Government-wide administration of the pay system for blue-collar Federal employees.

Office of the Inspector General

- *Office of the Inspector General (OIG)* conducts comprehensive and independent audits, investigations, and evaluations relating to OPM programs and operations. It is responsible for administrative actions against health care providers that commit sanction-able offenses with respect to the FEHBP or other OPM programs. The OIG keeps the Director and Congress fully informed about problems and deficiencies in the administration of agency programs and operations, and the need for corrective action.

The following table identifies how OPM’s organizations are aligned to the agency’s program inventory and strategic plan by strategy. The table includes the budget and FTE alignment that each organization is contributing to each program inventory and strategy in FY 2015.

FY 2015 Budget Request by Organization, Program and Strategy with FTE- All Resources

This chart shows how the resources budgeted in FY 2015 to each organization within OPM are aligned with OPM's program inventory and are further dedicated to achieving individual strategies in OPM's strategic plan. Resources shown are from all funding sources including:

- Advances and Reimbursements from other agencies for services performed on behalf of those agencies or to finance shared commitments such as the Chief Human Capital Officers Council.
- Common Services which is an internal fund comprised of contributions from all of OPM's funding sources to finance the administrative and leadership functions within the agency.

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ | |
|--------------------|--|---|--|---------------------|-------------|
| | | | | Dollars | FTE |
| CHCOC | Federal Employee Policy Oversight | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$23,875 | 0.3 |
| | | 2.01 | Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$124,532 | 0.8 |
| | | 2.02 | Promote shared accountability for the customer service strategy | \$124,532 | 0.8 |
| | | 6.01 | Design and deliver leadership training to increase employee engagement | \$85,224 | 0.5 |
| | | 6.02 | Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$84,224 | 0.5 |
| | | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$84,224 | 0.5 |
| | | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$84,224 | 0.5 |
| | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$108,012 | 0.9 | |
| | Federal Employee Policy Oversight Total | | | \$718,847 | 4.8 |
| CHCOC Total | | | | \$718,847 | 4.8 |
| CIO | Federal Employee Retirement | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$9,991,000 | 43.0 |
| | Federal Employee Retirement Total | | | \$9,991,000 | 43.0 |
| | USAJOBS | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$11,487,544 | 17.0 |
| | USAJOBS Total | | | \$11,487,544 | 17.0 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ | |
|------------------|--|--------|--|----------------------|--------------|
| | | | | Dollars | FTE |
| | Federal Human Resources Information Technology Transformation | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$70,286,264 | 111.6 |
| | Federal Human Resources Information Technology Transformation Total | | | \$70,286,264 | 111.6 |
| | Enabling Structural Capacity Functions of OPM | 4.01 | Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$936,685 | 4.0 |
| | | 4.02 | Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$2,810,200 | 16.5 |
| | | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$30,917,833 | 112.0 |
| | | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$5,122,000 | 0.0 |
| | | 5.02 | Institutionalize corporate prioritization | \$322,676 | 1.5 |
| | | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$3,500,966 | 10.0 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$43,610,360 | 144.0 |
| CIO Total | | | | \$135,375,168 | 315.6 |
| CLIA | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$77,717 | 0.3 |
| | | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$77,717 | 0.3 |
| | | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$77,717 | 0.4 |
| | | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$235,739 | 2.0 |
| | | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$1,269,508 | 10.4 |
| | | 11.01 | Indirect or internal-facing programs | \$644,602 | 5.6 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|-------------------|---|--------------|---|---------------------|-------------|
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$2,383,000 | 19.0 |
| CLIA Total | | | | \$2,383,000 | 19.0 |
| CPL | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$202,060 | 1.5 |
| | | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$229,000 | 2.0 |
| | | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$916,001 | 7.4 |
| | | 11.01 | Indirect or internal-facing programs | \$942,939 | 5.1 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$2,290,000 | 16.0 |
| CPL Total | | | | \$2,290,000 | 16.0 |
| EEO | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$902,000 | 9.0 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$902,000 | 9.0 |
| EEO Total | | | | \$902,000 | 9.0 |
| ES | Federal Employee Policy Oversight | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$147,679 | 1.0 |
| | | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$615,394 | 4.0 |
| | | 2.02 | Promote shared accountability for the customer service strategy | \$424,922 | 3.0 |
| | | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$566,563 | 3.5 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|-----|--|--------|--|---------------------|--------------|
| | | 3.01 | Create an owner to drive focused attention to data analysis | \$386,577 | 2.5 |
| | | 3.02 | Build strong data analysis, infrastructure and implementation tools and talent | \$425,765 | 3.0 |
| | | 3.03 | Develop partnerships to access and analyze data | \$744,283 | 5.3 |
| | | 3.04 | Make data analytics a fundamental part of OPM culture | \$155,030 | 1.0 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$298,301 | 1.5 |
| | | 5.02 | Institutionalize corporate prioritization | \$298,301 | 1.5 |
| | | 6.01 | Design and deliver leadership training to increase employee engagement | \$1,509,053 | 10.8 |
| | | 6.02 | Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$3,271,726 | 11.3 |
| | | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$812,342 | 5.5 |
| | | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$812,342 | 5.5 |
| | | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$683,247 | 4.5 |
| | | 8.03 | Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$1,037,581 | 7.0 |
| | | 8.04 | Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$2,569,734 | 19.0 |
| | | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$13,267,683 | 84.0 |
| | | 11.01 | Indirect or internal-facing programs | \$1,490,877 | 7.5 |
| | Federal Employee Policy Oversight Total | | | \$29,517,400 | 181.4 |
| | Federal Human Resources Information Technology Transformation | 4.01 | Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$155,030 | 1.0 |
| | | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$285,094 | 0.0 |
| | Federal Human Resources Information Technology Transformation Total | | | \$440,124 | 1.0 |
| | Enabling Structural Capacity Functions of OPM | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$3,056,773 | 31.5 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|-----------------|---|--------|--|---------------------|--------------|
| | | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$1,354,799 | 14.0 |
| | | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$481,014 | 4.5 |
| | | 2.01 | Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$113,711 | 1.0 |
| | | 2.02 | Promote shared accountability for the customer service strategy | \$113,711 | 1.0 |
| | | 2.03 | Improve IT Capabilities to interface with customers | \$113,711 | 1.0 |
| | | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$1,036,130 | 0.0 |
| | | 11.01 | Indirect or internal-facing programs | \$2,209,309 | 20.2 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$8,479,158 | 73.2 |
| ES Total | | | | \$38,436,682 | 255.5 |
| ESO | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$257,042 | 2.3 |
| | | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$148,693 | 0.9 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$405,735 | 3.2 |
| | Enabling Structural Capacity Functions of OPM | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$27,218 | 0.1 |
| | | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$45,640 | 0.2 |
| | | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$45,640 | 0.2 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$172,623 | 1.0 |
| | | 5.02 | Institutionalize corporate prioritization | \$83,498 | 0.5 |
| | | 5.03 | Widely inform key stakeholders on new agency budget process | \$50,964 | 0.3 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|--------------------|--|--------|--|------------------------|----------------|
| | | 11.01 | Indirect or internal-facing programs | \$733,682 | 7.5 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$1,159,265 | 9.8 |
| ESO Total | | | | \$1,565,000 | 13.0 |
| FIS | Federal Investigative Services | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$105,713,475 | 0.0 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$250,000 | 2.0 |
| | | 8.01 | Enhance policy, procedures and processes used to ensure people are fit to serve | \$1,026,654,214 | 2,724.0 |
| | Federal Investigative Services Total | | | \$1,132,617,689 | 2,726.0 |
| FIS Total | | | | \$1,132,617,689 | 2,726.0 |
| FPRAC | Federal Employee Policy Oversight | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$109,500 | 0.5 |
| | | 11.01 | Indirect or internal-facing programs | \$109,500 | 0.5 |
| | Federal Employee Policy Oversight Total | | | \$219,000 | 1.0 |
| FPRAC Total | | | | \$219,000 | 1.0 |
| FSC | Enabling Structural Capacity Functions of OPM | 5.01 | Implement off-cycle cost re-baselining | \$41,265 | 0.3 |
| | | 5.02 | Institutionalize corporate prioritization | \$122,158 | 0.8 |
| | | 11.01 | Indirect or internal-facing programs | \$11,406,577 | 100.9 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$11,570,000 | 102.0 |
| FSC Total | | | | \$11,570,000 | 102.0 |
| HI | Federal Employee Healthcare and Insurance | 2.02 | Promote shared accountability for the customer service strategy | \$92,259 | 0.6 |
| | | 2.03 | Improve IT Capabilities to interface with customers | \$130,961 | 1.0 |
| | | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$1,425,522 | 3.0 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$42,444 | 0.3 |
| | | 5.02 | Institutionalize corporate prioritization | \$42,444 | 0.3 |
| | | 9.01 | Sponsor high quality, consumer friendly, affordable insurance products | \$18,169,964 | 0.5 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|-----|--|--------|--|---------------------|--------------|
| | | 9.02 | Optimize insurance-related business processes | \$7,747,412 | 66.9 |
| | | 9.03 | Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans | \$349,240 | 2.7 |
| | | 9.04 | Develop novel partnerships in support of population health | \$320,892 | 1.3 |
| | | 9.05 | Enhance outreach and health literacy | \$145,864 | 1.1 |
| | Federal Employee Healthcare and Insurance Total | | | \$28,467,002 | 77.7 |
| | National Healthcare Operations | 2.03 | Improve IT Capabilities to interface with customers | \$300,227 | 2.2 |
| | | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$1,789,855 | 2.0 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$14,148 | 0.2 |
| | | 5.02 | Institutionalize corporate prioritization | \$14,148 | 0.2 |
| | | 9.01 | Sponsor high quality, consumer friendly, affordable insurance products | \$4,385,255 | 14.8 |
| | | 9.02 | Optimize insurance-related business processes | \$2,432,910 | 16.5 |
| | | 9.03 | Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans | \$1,103,556 | 7.6 |
| | | 9.04 | Develop novel partnerships in support of population health | \$567,722 | 4.6 |
| | | 9.05 | Enhance outreach and health literacy | \$900,179 | 7.5 |
| | National Healthcare Operations Total | | | \$11,508,000 | 55.6 |
| | HI Total | | | \$39,975,002 | 133.3 |
| HRS | Federal Agency Human Resources Services | 2.01 | Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$305,022 | 1.4 |
| | | 2.02 | Promote shared accountability for the customer service strategy | \$271,490 | 1.8 |
| | | 2.03 | Improve IT Capabilities to interface with customers | \$3,118,939 | 11.1 |
| | | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$90,510 | 0.3 |
| | | 3.04 | Make data analytics a fundamental part of OPM culture | \$5,654,966 | 8.7 |
| | | 4.01 | Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$2,070,332 | 2.8 |
| | | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$17,266,797 | 11.1 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$3,139,281 | 4.0 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ | |
|------------------|--|--------|---|----------------------|--------------|
| | | | | Dollars | FTE |
| | | 5.02 | Institutionalize corporate prioritization | \$1,183,840 | 7.8 |
| | | 5.03 | Widely inform key stakeholders on new agency budget process | \$110,741 | 0.7 |
| | | 6.01 | Design and deliver leadership training to increase employee engagement | \$85,587,025 | 84.1 |
| | | 6.02 | Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$3,257,397 | 19.6 |
| | | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$13,331,597 | 35.6 |
| | | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$10,618,437 | 21.7 |
| | | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$4,132,000 | 10.0 |
| | | 8.03 | Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$219,971,343 | 110.6 |
| | | 8.04 | Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$1,013,669 | 6.4 |
| | | 11.01 | Indirect or internal-facing programs | \$21,490,431 | 16.5 |
| | Federal Agency Human Resources Services Total | | | \$392,613,817 | 354.1 |
| HRS Total | | | | \$392,613,817 | 354.1 |
| MSAC | Merit System Accountability & Compliance Oversight | 3.02 | Build strong data analysis, infrastructure and implementation tools and talent | \$149,632 | 1.0 |
| | | 3.03 | Develop partnerships to access and analyze data | \$149,632 | 1.0 |
| | | 4.01 | Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$113,527 | 1.0 |
| | | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$162,745 | 1.0 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$241,094 | 1.5 |
| | | 5.02 | Institutionalize corporate prioritization | \$130,000 | 0.5 |
| | | 6.01 | Design and deliver leadership training to increase employee engagement | \$191,991 | 1.0 |
| | | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$186,374 | 1.0 |
| | | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$7,755,656 | 57.0 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|-------------------|---|--------|---|---------------------|--------------|
| | | 8.03 | Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$1,914,279 | 14.0 |
| | Merit System Accountability & Compliance Oversight Total | | | \$10,994,930 | 79.0 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$3,533,059 | 9.3 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$3,533,059 | 9.3 |
| | Enabling Structural Capacity Functions of OPM | 11.01 | Indirect or internal-facing programs | \$1,671,544 | 8.7 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$1,671,544 | 8.7 |
| MSAC Total | | | | \$16,199,533 | 97.0 |
| OCFO | Enabling Structural Capacity Functions of OPM | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$441,272 | 3.3 |
| | | 4.02 | Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$595,178 | 3.9 |
| | | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$4,365,966 | 6.9 |
| | | 5.01 | Implement off-cycle cost re-baselining | \$3,522,517 | 9.0 |
| | | 5.02 | Institutionalize corporate prioritization | \$1,667,987 | 10.8 |
| | | 5.03 | Widely inform key stakeholders on new agency budget process | \$160,109 | 1.0 |
| | | 11.01 | Indirect or internal-facing programs | \$19,039,971 | 98.1 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$29,793,000 | 133.0 |
| OCFO Total | | | | \$29,793,000 | 133.0 |
| OD | Federal Employee Policy Oversight | 6.02 | Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$99,644 | 0.4 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ | |
|-----------------|---|--------|---|--------------------|-------------|
| | | | | Dollars | FTE |
| | | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$62,256 | 0.3 |
| | | 8.04 | Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$189,433 | 0.9 |
| | Federal Employee Policy Oversight Total | | | \$351,333 | 1.6 |
| | Federal Agency Human Resources Services | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$61,256 | 0.3 |
| | Federal Agency Human Resources Services Total | | | \$61,256 | 0.3 |
| | Merit System Accountability & Compliance Oversight | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$189,418 | 0.9 |
| | Merit System Accountability & Compliance Oversight Total | | | \$189,418 | 0.9 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$798,289 | 4.0 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$798,289 | 4.0 |
| | Enabling Structural Capacity Functions of OPM | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$427,152 | 1.0 |
| | | 2.01 | Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$429,352 | 1.0 |
| | | 2.03 | Improve IT Capabilities to interface with customers | \$64,383 | 0.7 |
| | | 4.02 | Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$55,845 | 0.3 |
| | | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$63,683 | 0.7 |
| | | 11.01 | Indirect or internal-facing programs | \$718,289 | 4.0 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$1,758,704 | 7.7 |
| OD Total | | | | \$3,159,000 | 14.5 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|------------------|--|---|---|---------------------|--------------------|
| ODI | Federal Employee Policy Oversight | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$75,707 | 0.3 |
| | | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$80,837 | 0.3 |
| | | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$160,988 | 1.2 |
| | | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$169,008 | 1.3 |
| | | 6.01 | Design and deliver leadership training to increase employee engagement | \$126,094 | 0.7 |
| | | 6.02 | Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$126,094 | 0.7 |
| | | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$126,094 | 0.7 |
| | | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$126,094 | 0.7 |
| | | 11.01 | Indirect or internal-facing programs | \$97,084 | 1.1 |
| | | Federal Employee Policy Oversight Total | | | \$1,088,000 |
| ODI Total | | | | \$1,088,000 | 7.0 |
| OGC | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 8.01 | Enhance policy, procedures and processes used to ensure people are fit to serve | \$932,744 | 5.0 |
| | | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$489,752 | 3.0 |
| | | 8.03 | Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$489,752 | 3.0 |
| | | 8.04 | Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$489,752 | 3.0 |
| | | 11.01 | Indirect or internal-facing programs | \$3,603,000 | 20.0 |
| | | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$6,005,000 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|------------------|---|--------------|---|---------------------|--------------|
| OGC | | | | \$6,005,000 | 34.0 |
| Total | | | | | |
| OIG | Office of the Inspector General | 11.01 | Indirect or internal-facing programs | \$25,724,000 | 145.0 |
| | Office of the Inspector General Total | | | \$25,724,000 | 145.0 |
| OIG Total | | | | \$25,724,000 | 145.0 |
| PPA | Federal Employee Policy Oversight | 2.01 | Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$73,518 | 0.5 |
| | | 3.01 | Create an owner to drive focused attention to data analysis | \$268,405 | 1.5 |
| | | 3.02 | Build strong data analysis, infrastructure and implementation tools and talent | \$268,403 | 1.5 |
| | | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$94,331 | 0.6 |
| | | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$3,937,218 | 1.0 |
| | Federal Employee Policy Oversight Total | | | \$4,641,875 | 5.1 |
| | Federal Employee Healthcare and Insurance | 9.01 | Sponsor high quality, consumer friendly, affordable insurance products | \$7,572,239 | 44.6 |
| | Federal Employee Healthcare and Insurance Total | | | \$7,572,239 | 44.6 |
| | National Healthcare Operations | 2.02 | Promote shared accountability for the customer service strategy | \$73,518 | 0.5 |
| | | 9.01 | Sponsor high quality, consumer friendly, affordable insurance products | \$4,975,689 | 18.0 |
| | National Healthcare Operations Total | | | \$5,049,207 | 18.5 |
| | Federal Investigative Services | 8.01 | Enhance policy, procedures and processes used to ensure people are fit to serve | \$161,304 | 1.0 |
| | Federal Investigative Services Total | | | \$161,304 | 1.0 |
| | Merit System Accountability & Compliance Oversight | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$161,304 | 1.0 |
| | Merit System Accountability & Compliance Oversight Total | | | \$161,304 | 1.0 |
| | Federal Employee Retirement | 7.01 | Prepare the Federal workforce for retirement beginning from entry-on-duty across every stage of the employee life-cycle | \$464,893 | 2.0 |
| | Federal Employee Retirement Total | | | \$464,893 | 2.0 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|------------------|---|--------|---|----------------------|--------------|
| | Federal Human Resources Information Technology Transformation | 4.01 | Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$8,861,783 | 5.5 |
| | | 4.02 | Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$1,969,868 | 5.0 |
| | | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$327,608 | 2.0 |
| | Federal Human Resources Information Technology Transformation Total | | | \$11,159,259 | 12.5 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$3,019,919 | 20.5 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$3,019,919 | 20.5 |
| PPA Total | | | | \$32,230,000 | 105.2 |
| RS | Federal Employee Healthcare and Insurance | 5.02 | Institutionalize corporate prioritization | \$125,000 | 1.0 |
| | Federal Employee Healthcare and Insurance Total | | | \$125,000 | 1.0 |
| | National Healthcare Operations | 5.01 | Implement off-cycle cost re-baselining | \$750,000 | 6.0 |
| | National Healthcare Operations Total | | | \$750,000 | 6.0 |
| | Federal Employee Retirement | 5.03 | Widely inform key stakeholders on new agency budget process | \$125,000 | 1.0 |
| | | 7.01 | Prepare the Federal workforce for retirement beginning from entry-on-duty across every stage of the employee life-cycle | \$1,000,000 | 7.0 |
| | | 7.02 | Advance the 21st-century, customer-focused retirement processing system for claims adjudication in a timely and accurate manner | \$96,950,736 | 938.0 |
| | | 7.03 | Improve OPM service to Federal agency benefit officers | \$1,941,264 | 7.0 |
| | Federal Employee Retirement Total | | | \$100,017,000 | 953.0 |
| RS Total | | | | \$100,892,000 | 960.0 |

| ORG | Program | STR_NO | STRATEGY | FY 2015 CBJ Dollars | FTE |
|-------------------|---|--------|---|------------------------|----------------|
| WHF | Additional Government-wide Mandated or Compliance Functions Supported by OPM | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$772,000 | 4.0 |
| | Additional Government-wide Mandated or Compliance Functions Supported by OPM Total | | | \$772,000 | 4.0 |
| WHF Total | | | | \$772,000 | 4.0 |
| RENT | Enabling Structural Capacity Functions of OPM | 11.01 | Indirect or internal-facing programs | \$26,321,000 | 0.0 |
| | Enabling Structural Capacity Functions of OPM Total | | | \$26,321,000 | 0.0 |
| RENT Total | | | | \$26,321,000 | 0.0 |
| OPM Total | | | | \$2,000,849,738 | 5,449.0 |

Performance Budget by Strategic Goal

This section of the OPM budget describes how each OPM organization will use its requested budgetary resources to achieve our strategic goals. It is intended to meet the requirements of OMB Circular A-11, Part 6, and Section 240 – *Annual Performance Planning*.

The Office of Personnel Management exists to support the men and women who serve the American people as Federal workers. Over the next four years, OPM goals and strategies guide the agency's efforts to recruit, retain, and honor a world-class workforce and continue to be a model employer for the 21st Century. Our mission is to provide the highest quality of service to our customers: Federal employees, agencies, retirees and uninsured Americans.

Strategic Goals

In this budget document, OPM details 9 strategic goals. These include 5 management goals and 4 program outcome goals. For the first time, the OPM Strategic Plan includes targeted goals for the management of the agency as well as for the program outcomes we are charged with delivering. The management goals are internally-focused on OPM systems and processes and the program outcome goals are externally-focused on OPM's responsibilities. The management goals of improved information technology, employee engagement, and evidence-based policy will ensure that OPM can deliver on its core mission. OPM's 9 strategic goals and corresponding strategies are designed to help other Federal agencies achieve their missions and produce superior results.

1. Management Goal: Attract and engage a diverse and effective OPM workforce.
2. Management Goal: Provide timely, accurate, and responsive service that addresses the diverse needs of our customers.
3. Management Goal: Serve as the thought leader in research and data-driven human resource management and policy decision making.
4. Management Goal: Manage information technology systems efficiently and effectively in support of OPM's mission.
5. Management Goal: Establish and maintain responsive, transparent budgeting and costing processes.
6. Outcome Goal: Provide leadership in helping agencies create inclusive work environments where a diverse Federal workforce is fully engaged and energized to put forth its best effort, achieve their agency's mission, and remain committed to public service.
7. Outcome Goal: Ensure that Federal retirees receive timely, appropriate, transparent, seamless, and accurate pension retirement benefits.
8. Outcome Goal: Enhance the integrity of the Federal workforce.

9. Outcome Goal: Provide high quality health benefits and improve the health status of federal employees, federal retirees, their families, and populations newly eligible for OPM-sponsored health insurance products.

Additional Government-wide Mandated or Compliance Functions Supported by OPM

OPM performs certain functions as required by law or Executive Order that do not align directly with a specific strategic goal or strategy within our strategic plan. Such functions include administration of the Combined Federal Campaign, providing voting rights observations for the Justice Department, and operating the President's Commission on White House Fellows.

Enabling Structural Capacity Functions of OPM

OPM has also included in its budgetary request funds to cover information technology, contracting, facilities and security; financial management; and overhead functions. These administrative and executive leadership activities support are grouped in our strategic plan as capacity-enabling functions.

This section presents a detailed description of the strategies within the strategic goals and the resources budgeted for each strategy. The following tables provide funding level and fund type detail by strategic goal and strategy; and show a crosswalk between strategy, organizational elements, and program inventory.

This chart shows the funding source of resources budgeted in FY 2015 to each of OPM's Strategic Goals. Resources shown for each goal include the full cost of activities financed by:

- Advances and Reimbursements from other agencies for services performed on behalf of those agencies or to finance shared commitments such as the Chief Human Capital Officers Council.
- Common Services which is an internal fund comprised of contributions from all of OPM's funding sources to finance the administrative and leadership functions within the agency.

FY 2015 Budget Request by Strategic Goal and Fund—All Resources

| STRATEGIC_GOAL | FY 2015 CBJ | |
|--|----------------------|--------------|
| | Dollars | FTE |
| | \$7,419,199 | 64.4 |
| Diverse and Effective OPM Workforce | \$7,419,199 | 64.4 |
| Advances & Reimbursements To S&E | \$23,875 | 0.3 |
| Common Services | \$6,236,004 | 44.6 |
| RF - Revolving Fund Direct | \$0 | 12.0 |
| Salaries & Expenses Appropriation | \$1,080,605 | 6.8 |
| TF Limit - Annual | \$78,715 | 0.7 |
| | | |
| Timely, Accurate, and Responsive Customer Service | \$7,422,650 | 39.7 |
| Advances & Reimbursements To S&E | \$249,064 | 1.6 |
| Common Services | \$1,556,649 | 11.0 |
| RF - Training Services (HRS) | \$3,785,961 | 14.6 |
| Salaries & Expenses Appropriation | \$1,607,756 | 11.0 |
| TF Limit - Annual | \$130,961 | 1.0 |
| Trust Fund Title V - Long Term Care | \$92,259 | 0.6 |
| | | |
| Evidence-Based Policy and Practices | \$8,202,693 | 25.5 |
| RF - Training Services (HRS) | \$5,654,966 | 8.7 |
| Salaries & Expenses Appropriation | \$2,547,727 | 16.8 |
| | | |
| Efficient and Effective Information Systems | \$277,809,964 | 350.2 |
| Common Services | \$6,116,802 | 11.8 |
| Information Technology Funding | \$32,888,718 | 121.5 |
| RF - Training Services (HRS) | \$19,337,129 | 13.9 |
| RF - USAJOBS | \$11,487,544 | 17.0 |
| RF Employment Services (HRTT) | \$33,285,228 | 98.0 |
| RF Enterprise Human Resources Integration | \$37,001,036 | 13.6 |
| RF HRLOB Activities | \$3,000,000 | 0.0 |
| RF Investigative Services | \$105,713,475 | 0.0 |
| Salaries & Expenses Appropriation | \$15,593,642 | 23.5 |
| TF Limit - Annual | \$10,833,390 | 48.0 |
| Trust Fund-Title V | \$2,553,000 | 3.0 |
| | | |
| Transparent and Responsive Budgets | \$12,908,539 | 53.7 |
| Common Services | \$5,881,121 | 24.0 |
| Information Technology Funding | \$322,676 | 1.5 |
| RF - Training Services (HRS) | \$4,433,862 | 12.5 |
| RF Investigative Services | \$250,000 | 2.0 |
| Salaries & Expenses Appropriation | \$935,992 | 5.1 |
| TF Limit - Annual | \$1,028,296 | 8.4 |
| Trust Fund Title V - Long Term Care | \$56,592 | 0.2 |

| STRATEGIC GOAL | FY 2015 CBJ | |
|--|------------------------|----------------|
| | Dollars | FTE |
| Engaged Federal Workforce | \$124,675,261 | 203.5 |
| Advances & Reimbursements To S&E | \$337,896 | 2.0 |
| Common Services | \$223,156 | 1.0 |
| RF - Training Services (HRS) | \$112,794,456 | 161.1 |
| RF Presidential Management Fellows (PMF) | \$2,582,524 | 6.5 |
| Salaries & Expenses Appropriation | \$8,737,229 | 33.0 |
| Improved Retirement Services | \$100,356,893 | 954.0 |
| TF Limit - Annual | \$57,451,893 | 647.0 |
| Trust Fund Title V - FERCCA | \$2,109,000 | 12.0 |
| Trust Fund-Title V | \$40,796,000 | 295.0 |
| Enhanced Federal Workforce Integrity | \$1,268,835,182 | 2,970.2 |
| Common Services | \$2,780,851 | 15.8 |
| RF - Training Services (HRS) | \$225,117,012 | 126.9 |
| RF Investigative Services | \$1,026,654,214 | 2,724.0 |
| Salaries & Expenses Appropriation | \$14,283,105 | 103.5 |
| Healthier Americans | \$48,670,922 | 186.1 |
| Salaries & Expenses Appropriation | \$14,365,311 | 69.0 |
| TF Dental and Vision Benefits | \$17,049,001 | 7.0 |
| TF Limit - Annual | \$14,834,460 | 105.9 |
| Trust Fund Title V - Long Term Care | \$1,899,150 | 3.5 |
| Trust Fund-Title V | \$523,000 | 0.7 |
| Additional Government-wide Mandated or Compliance Function Supported by OPM | \$28,345,630 | 160.9 |
| Advances & Reimbursements To S&E | \$2,220,545 | 0.9 |
| Common Services | \$4,034,491 | 29.7 |
| Information Technology Funding | \$3,500,966 | 10.0 |
| RF - Revolving Fund Direct | \$0 | 2.0 |
| Salaries & Expenses Appropriation | \$18,589,628 | 118.3 |
| Enabling Structural Capacity Functions of OPM | \$116,202,805 | 440.7 |
| Common Services | \$32,648,084 | 170.3 |
| OIG Salaries & Expenses | \$4,384,000 | 19.0 |
| OIG TF Limit - Annual | \$21,340,000 | 126.0 |
| RF - Revolving Fund Direct | \$0 | 46.5 |
| RF - Training Services (HRS) | \$21,490,431 | 16.5 |
| Salaries & Expenses Appropriation | \$12,428,005 | 15.1 |
| TF Limit - Annual | \$23,912,285 | 47.3 |
| OPM Total | \$2,000,849,738 | 5,449.0 |

FY 2015 Budget Request by Goal and Strategy—All Resources

This chart shows total amount of resources from all sources budgeted in FY 2015 to each strategy in OPM’s Strategic Plan. Resources shown include the full cost of activities financed by:

- Advances and Reimbursements from other agencies for services performed on behalf of those agencies or to finance shared commitments such as the Chief Human Capital Officers Council.
- Common Services which is an internal fund comprised of contributions from all of OPM’s funding sources to finance the administrative and leadership functions within the agency.

| STRATEGIC_GOAL | STR_NO | STRATEGY | FY 2015 CBJ | |
|--|-------------|---|--------------------|-------------|
| | | | Dollars | FTE |
| Diverse and Effective OPM Workforce | 1.01 | Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$3,408,969 | 33.5 |
| | 1.02 | Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$2,427,417 | 19.1 |
| | 1.03 | Provide targeted learning and developmental opportunities for OPM's employees | \$1,582,813 | 11.8 |
| Strategic Goal Total | | | \$7,419,199 | 64.4 |
| Timely, Accurate, and Responsive Customer Service | 2.01 | Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$1,046,135 | 4.7 |
| | 2.02 | Promote shared accountability for the customer service strategy | \$1,100,432 | 7.7 |
| | 2.03 | Improve IT Capabilities to interface with customers | \$3,728,221 | 16.0 |
| | 2.04 | Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$1,547,862 | 11.4 |
| Strategic Goal Total | | | \$7,422,650 | 39.7 |
| Evidence-Based Policy and Practices | 3.01 | Create an owner to drive focused attention to data analysis | \$654,982 | 4.0 |
| | 3.02 | Build strong data analysis, infrastructure and implementation tools and talent | \$843,800 | 5.5 |
| | 3.03 | Develop partnerships to access and analyze data | \$893,915 | 6.3 |
| | 3.04 | Make data analytics a fundamental part of OPM culture | \$5,809,996 | 9.7 |
| Strategic Goal Total | | | \$8,202,693 | 25.5 |

| STRATEGIC_GOAL | STR_NO | STRATEGY | FY 2015 CBJ | |
|--|-------------|--|----------------------|--------------|
| | | | Dollars | FTE |
| Efficient and Effective Information Systems | 4.01 | Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$12,137,357 | 14.3 |
| | 4.02 | Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$22,697,888 | 36.8 |
| | 4.03 | Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$35,837,835 | 122.6 |
| | 4.04 | Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$207,136,884 | 176.6 |
| Strategic Goal Total | | | \$277,809,964 | 350.2 |
| Transparent and Responsive Budgets | 5.01 | Implement off-cycle cost re-baselining | \$8,471,673 | 25.8 |
| | 5.02 | Institutionalize corporate prioritization | \$3,990,052 | 24.9 |
| | 5.03 | Widely inform key stakeholders on new agency budget process | \$446,814 | 3.0 |
| Strategic Goal Total | | | \$12,908,539 | 53.7 |
| Engaged Federal Workforce | 6.01 | Design and deliver leadership training to increase employee engagement | \$87,499,387 | 97.1 |
| | 6.02 | Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$6,839,085 | 32.5 |
| | 6.03 | Provide a comprehensive suite of engagement services and models for agencies and employees | \$14,510,844 | 43.2 |
| | 6.04 | Ensure agencies target, address, and measure key drivers of employee engagement | \$15,825,945 | 30.7 |
| Strategic Goal Total | | | \$124,675,261 | 203.5 |
| Improved Retirement Services | 7.01 | Prepare the Federal workforce for retirement beginning from entry-on-duty across every stage of the employee life-cycle | \$1,464,893 | 9.0 |
| | 7.02 | Advance the 21st-century, customer-focused retirement processing system for claims adjudication in a timely and accurate manner | \$96,950,736 | 938.0 |
| | 7.03 | Improve OPM service to Federal agency benefit officers | \$1,941,264 | 7.0 |
| Strategic Goal Total | | | \$100,356,893 | 954.0 |

| STRATEGIC_GOAL | STR_NO | STRATEGY | FY 2015 CBJ | |
|--|--------------|---|------------------------|----------------|
| | | | Dollars | FTE |
| Enhanced Federal Workforce Integrity | 8.01 | Enhance policy, procedures and processes used to ensure people are fit to serve | \$1,027,748,262 | 2,730.0 |
| | 8.02 | Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$13,411,377 | 76.4 |
| | 8.03 | Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$223,412,955 | 134.6 |
| | 8.04 | Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$4,262,588 | 29.3 |
| Strategic Goal Total | | | \$1,268,835,182 | 2,970.2 |
| Healthier Americans | 9.01 | Sponsor high quality, consumer friendly, affordable insurance products | \$35,103,147 | 77.9 |
| | 9.02 | Optimize insurance-related business processes | \$10,180,322 | 83.4 |
| | 9.03 | Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans | \$1,452,796 | 10.3 |
| | 9.04 | Develop novel partnerships in support of population health | \$888,614 | 5.9 |
| | 9.05 | Enhance outreach and health literacy | \$1,046,043 | 8.6 |
| Strategic Goal Total | | | \$48,670,922 | 186.1 |
| Additional Government-wide Mandated or Compliance Function Supported by OPM | 10.01 | Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$28,345,630 | 160.9 |
| Strategic Goal Total | | | \$28,345,630 | 160.9 |
| Enabling Structural Capacity Functions of OPM | 11.01 | Indirect or internal-facing programs | \$116,202,805 | 440.7 |
| Strategic Goal Total | | | \$116,202,805 | 440.7 |
| OPM Total | | | \$2,000,849,738 | 5,449.0 |

FY 2015 Budget Request Strategy by Organization—All Resources

This chart shows the total of operating resources that OPM plans to use in FY 2015. This includes:

- Advances and Reimbursements from other agencies for services performed on behalf of those agencies or to finance shared commitments such as the Chief Human Capital Officers Council.
- Resources spent as Common Services which is an internal fund comprised of contributions from all of OPM’s funding sources to finance the administrative and leadership functions within the agency.

| Organization | FY 2015 CBJ Diverse and Effective OPM Workforce | Timely, Accurate, and Responsive Customer Service | Evidence-Based Policy and Practices | Efficient and Effective Information Systems | Transparent and Responsive Budgets | Engaged Federal Workforce | Improved Retirement Services | Enhanced Federal Workforce Integrity | Healthier Americans | Additional Government-wide Mandated or Compliance Function Supported by OPM | FY 2015 CBJ Total |
|--|---|---|-------------------------------------|---|------------------------------------|---------------------------|------------------------------|--------------------------------------|---------------------|---|-------------------|
| Organization | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & 11 | |
| Chief Human Capital Officer Council | \$23,875 | \$249,064 | | | | \$337,896 | | | | \$108,012 | \$718,847 |
| Chief Information Officer | | | | \$131,551,526 | \$322,676 | | | | | \$3,500,966 | \$135,375,168 |
| Communications & Public Liaison | \$202,060 | \$229,000 | | | | | | | | \$1,858,940 | \$2,290,000 |
| Congressional, Legislative and Intergovernmental Affairs | \$233,151 | \$235,739 | | | | | | | | \$1,914,110 | \$2,383,000 |
| Employee Services | \$5,655,659 | \$1,332,618 | \$1,711,655 | \$1,476,254 | \$596,602 | \$6,405,463 | | \$4,290,562 | | \$16,967,869 | \$38,436,682 |
| Equal Employment Opportunity | | | | | | | | | | \$902,000 | \$902,000 |
| Executive Secretariat | \$118,498 | \$257,042 | | | | \$307,085 | | | | \$882,375 | \$1,565,000 |
| Facilities, Security & Contracting | | | | | | \$163,423 | | | | \$11,406,577 | \$11,570,000 |
| Federal Investigative Services | | | | \$105,713,475 | \$250,000 | | | \$1,026,654,214 | | | \$1,132,617,689 |

| | FY 2015 CBJ Diverse and Effective OPM Workforce | Timely, Accurate , and Respon sive Custome r Service | Evidence -Based Policy and Practices | Efficient and Effective Informatio n Systems | Transparent and Responsive Budgets | Engaged Federal Workforce | Improved Retirement Services | Enhanced Federal Workforce Integrity | Healthier Americans | Additional Government -wide Mandated or Compliance Function Supported by OPM | FY 2015 CBJ Total |
|--|---|--|--|--|---|---------------------------------|------------------------------------|---|------------------------|--|------------------------|
| Organization | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & 11 | |
| Federal Prevailing Rate Advisory Committee | | | | | | | | | | \$219,000 | \$219,000 |
| Healthcare & Insurance | | \$523,447 | | \$3,215,377 | \$113,184 | | | | \$36,122,994 | | \$39,975,002 |
| HR Solutions | | \$3,785,961 | \$5,654,966 | \$19,337,129 | \$4,433,862 | \$112,794,456 | | \$225,117,012 | | \$21,490,431 | \$392,613,817 |
| Merit System Accountability & Compliance | | | \$299,264 | \$276,272 | \$371,094 | \$378,365 | | \$9,669,935 | | \$5,204,603 | \$16,199,533 |
| Office of Diversity and Inclusion | \$317,532 | \$169,008 | | | | \$504,376 | | | | \$97,084 | \$1,088,000 |
| Office of the Chief Financial Officer | \$441,272 | | | \$4,961,144 | \$5,350,613 | | | | | \$19,039,971 | \$29,793,000 |
| Office of the Director | \$427,152 | \$493,735 | | \$119,528 | | \$223,156 | | \$378,851 | | \$1,516,578 | \$3,159,000 |
| Office of the General Counsel | | | | | | | | \$2,402,000 | | \$3,603,000 | \$6,005,000 |
| Office of the Inspector General | | | | | | | | | | \$25,724,000 | \$25,724,000 |
| Planning & Policy Analysis | | \$147,036 | \$536,808 | \$11,159,259 | | \$4,031,549 | \$464,893 | \$322,608 | \$12,547,928 | \$3,019,919 | \$32,230,000 |
| Retirement Services | | | | | \$1,000,000 | | \$99,892,000 | | | | \$100,892,000 |
| White House Fellows | | | | | | | | | | \$772,000 | \$772,000 |
| Rent | | | | | | | | | | \$26,321,000 | \$26,321,000 |
| OPM Total | \$7,419,199 | \$7,422,650 | \$8,202,693 | \$277,809,964 | \$12,908,539 | \$124,675,261 | \$100,356,893 | \$1,268,835,182 | \$48,670,922 | \$144,548,435 | \$2,000,849,738 |

Strategic Goal: 1 Diverse and Effective OPM workforce

Strategic Goal Statement:

Attract and engage a diverse and effective OPM workforce.

Evidence demonstrates that organizations with a greater percentage of engaged employees outperform those with a lower percentage of engaged employees and engaged employees are demonstrably more productive than their less engaged colleagues. OPM's performance is largely dependent on the performance of its employees. OPM products and services – whether policy analysis or claims processing - are labor intensive. In order to attract and engage a diverse and effective OPM workforce, we must invest in our most valuable resource – our employees. It is critical we make these investments in our people in order to achieve our mission.

There are three strategies that support Management Goal 1: attract; engage; and develop our workforce.

1. First, we will develop an agile set of recruitment and outreach approaches to attract talented and diverse new employees. For example, we'll leverage technology and social media to create communities around specific mission areas. And we want to identify and address barriers to diversity.
2. Secondly, launch a comprehensive approach to employee engagement. We want to build leadership commitment and ownership of the engagement approach through supervisory training and improved assessment and selection of supervisors. And we will train supervisors in problem-solving methods that empower their teams to develop excellent solutions. We will increase communication to our employees and promote inclusion by identifying and using available communication vehicles, including OPM's intranet (*www.THEO.opm.gov*).
3. Lastly, continue to support ongoing training and development. We will use our Learning Center and the LAB@OPM to conduct a skills gap analysis we will develop ways to close any gaps. We will support mentoring programs, define career paths for OPM occupations and train OPM employees on the agency's core values and the problem-solving methods that support these values.

Some of activities OPM will implement include opportunities to participate in our social media, recruiting activities, an emphasis on our core values, and experiential learning.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| OPM Budget Authority | FY 2015 CBJ Dollars | FTE |
|--|---------------------------|-------------|
| Diverse and Effective OPM Workforce | | |
| 1.01 | | |
| Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$3,408,969 | 33.5 |
| Chief Human Capital Officer Council | \$23,875 | 0.3 |
| Advances & Reimbursements To S&E | \$23,875 | 0.3 |
| Employee Services | \$3,204,452 | 32.5 |
| Common Services | \$3,056,773 | 23.5 |
| RF - Revolving Fund Direct | \$0 | 8.0 |
| Salaries & Expenses Appropriation | \$147,679 | 1.0 |
| Office of Diversity and Inclusion | \$75,707 | 0.3 |
| Salaries & Expenses Appropriation | \$75,707 | 0.3 |
| Congressional, Legislative and Intergovernmental Affairs | \$77,717 | 0.3 |
| Common Services | \$77,717 | 0.3 |
| Executive Secretariat | \$27,218 | 0.1 |
| Common Services | \$27,218 | 0.1 |
| 1.02 | | |
| Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$2,427,417 | 19.1 |
| Employee Services | \$1,354,799 | 14.0 |
| Common Services | \$1,354,799 | 10.5 |
| RF - Revolving Fund Direct | \$0 | 3.5 |
| Office of Diversity and Inclusion | \$80,837 | 0.3 |
| Salaries & Expenses Appropriation | \$80,837 | 0.3 |
| Office of the Chief Financial Officer | \$441,272 | 3.3 |
| Common Services | \$362,557 | 2.6 |
| TF Limit - Annual | \$78,715 | 0.7 |
| Office of the Director | \$427,152 | 1.0 |
| Common Services | \$427,152 | 1.0 |
| Congressional, Legislative and Intergovernmental Affairs | \$77,717 | 0.3 |
| Common Services | \$77,717 | 0.3 |
| Executive Secretariat | \$45,640 | 0.2 |
| Common Services | \$45,640 | 0.2 |
| 1.03 | | |
| Provide targeted learning and developmental opportunities for OPM's employees | \$1,582,813 | 11.8 |
| Communications & Public Liaison | \$202,060 | 1.5 |
| Common Services | \$202,060 | 1.5 |
| Employee Services | \$1,096,408 | 8.5 |
| Common Services | \$481,014 | 4.0 |
| RF - Revolving Fund Direct | \$0 | 0.5 |
| Salaries & Expenses Appropriation | \$615,394 | 4.0 |

| | FY 2015 CBJ Dollars | FTE |
|---|---------------------------|-------------|
| OPM Budget Authority | | |
| Office of Diversity and Inclusion | \$160,988 | 1.2 |
| Salaries & Expenses Appropriation | \$160,988 | 1.2 |
| Congressional, Legislative and Intergovernmental Affairs | \$77,717 | 0.4 |
| Common Services | \$77,717 | 0.4 |
| Executive Secretariat | \$45,640 | 0.2 |
| Common Services | \$45,640 | 0.2 |
| OPM Total | \$7,419,199 | 64.4 |

Strategy: 1.01 Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce

Progress Indicator Statement:

Increase applicant flow from groups that are underrepresented within OPM and remove barriers where they exist.

Strategy Overview:

Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce by:

- Further developing and implementing our approach to recruitment and outreach;
- Identifying OPM's unique value proposition as an employer to establish the "OPM Brand" (externally and internally);
- Developing and implementing an approach to internal recruitment with a focus on agility (e.g., connecting talent to project-based work through a Government-wide talent matching tool);
- Leveraging technology and social media to create communities around specific mission areas;
- Investing in application assessment tools and processes; and
- Identifying and addressing barriers to diversity.

Anticipated FY 2015 Accomplishments:

- In FY 2013, OPM first established a position within OPM HR devoted to building and managing a recruiting program. In FY 2014, we began to recruit through social media and required hiring managers to identify recruiting strategies prior to filling positions. We used data analytics and a workforce dashboard to track and report new hires and analyze workforce composition by organization, by race and national origin, for veterans, and for disabled employees.
- Over the last year, our veterans hiring continued to meet and surpass benchmarks, our applicant flow data showed a diverse applicant pool, and our Hispanic hiring increased as a percentage of overall hires. However, in a time of downsizing and limited hiring, this has had minimal impact on the representation of Hispanics in the agency workforce. OPM is committed to a diverse workforce, and we have been working to involve hiring managers in recruiting and outreach. Many hiring managers continue to view recruiting as a responsibility of human resources and senior leaders often have limited line of sight to the hiring decisions made by front-line supervisors.
- In FY 2015, we will expand our recruiting and outreach efforts by leveraging available networks which we have not previously tapped into. Our employees have personal networks and links to communities that differ from those of the agency. For example, employees are members of professional associations and community organizations, have attended various universities, and have lived in locations throughout the world. We will draw on this untapped resource by inviting

our employees to assist in recruitment and outreach through their social media networks. This will not only engage our employees but allow us to expand the agency's social media presence, building around specific mission areas and with particular outreach to groups underrepresented in the OPM workforce.

- OPM will actively engage hiring managers and senior leaders and provide the necessary tools to support their ownership of the hiring process. Supervisors will receive training on recruiting strategies to reach a diverse applicant pool and on the value of a diverse workforce, and human resources staff will be trained to better assist organizations in actively sourcing their job opportunities. We will also conduct research to identify OPM's unique value proposition as an employer. This will support our future efforts to establish the "OPM Brand."
- OPM will also enable project-based recruitment for short-term rotational and developmental assignments through OPMConnect, a skills matching and crowd-sourcing program being piloted in FY 2014. OPMConnect will eventually be linked to other agencies' platforms in order to provide supervisors/managers access to talent across Government; and employees opportunities to engage in rotational assignments for skills and career development.

Implementation Organizations:

Employee Services (ES), Congressional, Legislative and Intergovernmental Affairs (CLIA), Office of Diversity and Inclusion (ODI), Office of the Director (OD), and Executive Secretariat Office (ESO), and Chief Human Capital Officer Council (CHCOC)

Implementation Considerations:

Implementation of this strategy is dependent on the OPM human resources staff, in coordination with the Office of Diversity and Inclusion, to provide program management, policy, guidance, and communication and coordination with hiring managers and employees. Additionally, OPM's Veterans Employment Program Office supports the recruitment and outreach to the veterans' community. The goal also requires the participation and support of hiring managers at all levels of the agency, including the offices of the Executive Secretariat and Ombudsman; Chief Human Capital Officers Council; and Congressional, Legislative and Intergovernmental Affairs.

Because this strategy involves leveraging social media and technology, it requires access to social media through official OPM accounts for HR recruiting staff. Additionally, the specific recruitment and outreach approaches outlined will require the support of OPM employees, who will extend the outreach of the agency. Dashboard and data analysis tools, along with analytical expertise, are required for ongoing monitoring and feedback.

If agency hiring continues to be extremely constrained by budget limitations, the impact of this goal on the composition of the workforce is similarly constrained. Additionally, without broad hiring, the generalizability of applicant flow data is limited and the results may not be representative of the agency as a whole. For example, if the agency only hires in one location, organization, or occupation, the data cannot be meaningfully extended to represent hypothetical agency-wide hiring, but rather only reflect those limited conditions.

| STRATEGIC GOAL/STRATEGY | FY 2015 | |
|--|--------------------|-------------|
| | CBJ | FTE |
| | Dollars | |
| Diverse and Effective OPM Workforce | | |
| 1.01 | | |
| Deploy agile recruitment and outreach tactics to attract a diverse and talented workforce | \$3,408,969 | 33.5 |
| Chief Human Capital Officer Council | \$23,875 | 0.3 |
| Advances & Reimbursements To S&E | \$23,875 | 0.3 |
| Employee Services | \$3,204,452 | 32.5 |
| Common Services | \$3,056,773 | 23.5 |
| RF - Revolving Fund Direct | \$0 | 8.0 |
| Salaries & Expenses Appropriation | \$147,679 | 1.0 |
| Office of Diversity and Inclusion | \$75,707 | 0.3 |
| Salaries & Expenses Appropriation | \$75,707 | 0.3 |
| Congressional, Legislative and Intergovernmental Affairs | \$77,717 | 0.3 |
| Common Services | \$77,717 | 0.3 |
| Executive Secretariat | \$27,218 | 0.1 |
| Common Services | \$27,218 | 0.1 |
| OPM Total | \$3,408,969 | 33.5 |

Strategy: 1.02 Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission

Progress Indicator Statement:

Increase the participation of employees, including groups that are under-represented within OPM, at all levels of the workforce.

Increase in OPM's employee engagement index score (especially with respect to the supervisor subcomponent) and New Inclusion Quotient (New IQ).

Strategy Overview:

Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission by:

- Building leadership commitment and ownership of the inclusion and engagement approach that incorporates:
 - Supervisory training;
 - Improved assessment and selection of supervisors;
 - Training in problem-framing and problem-solving methods that empower their teams to develop excellent solutions;
 - Ongoing support to supervisors; and
 - Monitoring of supervisors' progress using an accountability tool.
- Increasing communication to employees and promoting inclusion by:
 - Identifying and using available communication vehicles, including *THEO.opm.gov* (OPM employee intranet), *www.USAJOBs.gov*, *www.USASTaffing.gov*, *www.retire@opm.gov*, *www.EmployeeExpress.gov*, and *www.OPM.gov*.
- Involving employees in design of programs, products and services through collaboration using the Innovation Lab and other internal resources;
- Reflecting OPM core values in communications to employees, including recognition of employees who exhibit core values; and
- Involving employee labor/representative groups as vehicles to support the inclusion and engagement approach.

Anticipated FY 2015 Accomplishments:

Employee engagement describes a range of behaviors that support mission accomplishment, most typically described as increased discretionary effort and a heightened sense of commitment and personal accountability for the work to be done. Research has shown that visionary leadership, caring supervision, a feeling of personal empowerment, opportunities to learn and advance, and meaningful recognition for a job well done and frequent communication that reinforce the organization's values work together to create

employee engagement. Among these, the most significant factor is typically the relationship between an employee and his or her supervisor.

In FY 2014, OPM released a new strategic plan with an explicit focus on internal employees. Through monthly town hall meetings and smaller in-person or virtual gatherings, the value of employee empowerment, development and recognition was emphasized by senior leaders, division directors and supervisors. An inclusive process was used to identify the core values that define OPM employees. By engaging employees in the creation of a “culture of excellence” statement, OPM created a sense of ownership among all employees for accomplishing our mission together. In FY 2015, senior leaders, division directors and supervisors will continue to use all available communications vehicles to reinforce the culture of excellence and to recognize employees who embody our core values.

In FY 2015, ES (OPM HR, Learning Center, and Innovation Lab) will continue to strengthen the personal connections across OPM divisions by using the supervisory cohorts and the mentoring program to develop communities of practice. OPM will identify promising practices in employee empowerment, diversity and inclusion, trust building and recognition to spread effective approaches across the organization. To ensure that everyone makes time for these activities, OPM will require all supervisors, including Senior Executives, to spend at least 10 percent of their time participating in the cohorts, the mentoring program or engaging their employees through the identified promising practices.

In FY 2015, CFO will continue to promote on-the-job training, hiring authorities (internal details), and coaching. OPM’s CFO leadership competencies will be aligned to the competency development activities for employees. CFO will define outreach initiatives to attract recruit and advance career opportunities to enhance diversity in our workforce, which will encompass, identifying methods, and approaches to achieve diversity and inclusion in our workforce.

- Improved collaboration between CFO work units (as measured by checkpoint surveys)
- Employee participation and involvement in CFO-wide activities (such as CFO/DCFO 360 forums, EVS work group, Frontline Newsletter, etc.)
- Feedback and actions initiated as a result of CFO/DCFO 360 forums (as measured by checkpoint surveys)

In FY 2014, OPM implemented a supervisory training and development framework, focused on five competencies: strategic thinking, developing others, inclusion intelligence, accountability, and interpersonal skills. We supported the framework by establishing supervisory cohorts – groups of supervisors from all parts of the agency, brought together under a senior executive, serving as a Senior Advisor for the group. The cohort activities had few restrictions, allowing the Senior Advisors to build on their own strengths and leadership style, as they led their groups.

OPM also used a mentoring program to support a culture where employees feel supported and connected to each other and the mission of the organization. Mentoring activities range from formal, one-on-one relationships that last a full year to informal peer mentoring through employee groups that meet on a regular basis to situational mentoring events to strengthen particular skills, such as problem solving, time

management and public speaking.

In FY 2014 OPM also began using pulse surveys to gather broad feedback from employees regarding key drivers of engagement such as empowerment, development and recognition. In FY 2015, those methods will be refined to provide supervisors with more actionable insights.

In FY 2014 OPM included an accountability element for employee engagement and diversity & inclusion in the performance agreements of Senior Executives. In FY 2015, OPM will incorporate employee engagement and diversity & inclusion expectations into the performance plans of all supervisors. We will work closely with our Employee Resource Groups to help support diversity and inclusion throughout OPM.

In FY 2014 OPM delivered problem solving training to employees, managers and leaders in the Innovation Lab, through skill building workshops as well as participation in design-led innovation projects to address Government-wide human capital challenges. In FY 2015, OPM will continue providing training and support for innovation projects.

In FY 2014 OPM also began using pulse surveys to gather broad feedback from employees regarding key drivers of engagement such as empowerment, development and recognition. In FY 2015, those methods will be refined to provide supervisors with more actionable insights.

Implementation Organizations:

Employee Services (ES) (OPM HR, Learning Center, Innovation Lab); Chief Financial Officer (CFO), Executive Secretariat & Office (ESO), Office of the Director (OD), Office of Diversity and Inclusion (ODI), and Congressional, Legislative, & Intergovernmental Affairs (CLIA)

Implementation Considerations:

Implementation of this strategy is dependent on the OPM's ES, CFO, ESO, DI, OD, and CLIA, human resources staff, learning center staff, and the communications team to provide program management, policy, guidance, and communication and coordination with all supervisors and employees. It requires the participation and support of all OPM employees, so effectively including employees in the development and refinement of our activities is critical.

CLIA will reflect and highlight this priority goal for the Federal workforce on Capitol Hill.

The learning center staff, within Employee Services, coordinates and delivers supervisory training; the human resources staff develop and implement supervisory assessment, selection, and performance accountability tools, and manage OPM's labor relations program; the LAB@OPM provides training and support for internal problem-framing and problem-solving; the diversity and inclusion office supports internal engagement programs; and all of the implementing organizations work together to provide ongoing support to supervisors.

Because this strategy involves leveraging internal social media (www.THEO.opm.gov) and other technology to include employees across OPM in activities such as mentoring and community building,

including clear rules of engagement and expectations on the use of time for these activities. FEVS dashboard and data analysis tools are required for ongoing evaluation and refinement.

The office of the CFO will internally advance employee engagement through continuing the CFO EVS employee work group. This group was developed in FY 2013 and is comprised of CFO employees who collaborate and make recommendations to management regarding the CFO work environment. This has been a highly successful group and has helped to identify areas of improvement. Completing our CFO roadmap to communicate key focus areas: Operations, Financial Management [Technical], Leadership, and Engagement. A key component of our roadmap will focus on building financial leadership capacity in CFO.

In addition, CFO will revamp the organizations presence on OPM's intranet (THEO) in FY 2015, to showcase businesses processes, provide status on key organization projects, and promote CFO activities; such as, the *CFO Frontline* newsletter, which highlights CFO's hot topics, employee contributions, and accomplishment. Also, we will continue the CFO 360 monthly meetings, where employees can meet with the Chief Financial Officer and Deputy CFO to present ideas, concerns or process improvement recommendations.

| | FY 2015 CBJ | |
|--|--------------------|-------------|
| STRATEGIC GOAL/STRATEGY | Dollars | FTE |
| Diverse and Effective OPM Workforce | | |
| 1.02 | | |
| Create a work environment where OPM employees are fully engaged and energized to put forth their best efforts and achieve OPM's mission | \$2,427,417 | 19.1 |
| Employee Services | \$1,354,799 | 14.0 |
| Common Services | \$1,354,799 | 10.5 |
| RF - Revolving Fund Direct | \$0 | 3.5 |
| Office of Diversity and Inclusion | \$80,837 | 0.3 |
| Salaries & Expenses Appropriation | \$80,837 | 0.3 |
| Office of the Chief Financial Officer | \$441,272 | 3.3 |
| Common Services | \$362,557 | 2.6 |
| TF Limit - Annual | \$78,715 | 0.7 |
| Office of the Director | \$427,152 | 1.0 |
| Common Services | \$427,152 | 1.0 |
| Congressional, Legislative and Intergovernmental Affairs | \$77,717 | 0.3 |
| Common Services | \$77,717 | 0.3 |
| Executive Secretariat | \$45,640 | 0.2 |
| Common Services | \$45,640 | 0.2 |
| OPM Total | \$2,427,417 | 19.1 |

Strategy: 1.03 Provide targeted learning and developmental opportunities for OPM's employees

Progress Indicator Statement:

Increase in the percent of OPM employees reporting real opportunities to improve their skills within the organization.

Strategy Overview:

Provide targeted learning and developmental opportunities for OPM's employees by:

- Developing an agency workforce plan that outlines OPM's workforce needs for the Medium to long term;
- Conducting a skills gap analysis that identifies the skill requirements of the OPM workforce;
- Aligning Learning Center and The Lab @ OPM's offerings with OPM needs identified through the skill gap analysis;
- Training OPM employees on the agency's core values as well as problem-solving Methods that support those values;
- Instituting a formal experiential development program (e.g., Fellows, details, cross-organization project opportunities);
- Supporting shadowing and mentoring practices and programs;
- Defining career paths for OPM occupations; and
- Leveraging Employee Resource and Affinity Groups to help connect to employees at all levels of the organization.

Anticipated FY 2015 Accomplishments:

- Skills gap analysis and action plan completed;
- Interim assessment of cohort-based development programs completed;
- OPM mentoring program linked to Government-wide mentoring resources through HRU and GovU; and
- Online resources for MCOs launched.

Implementation Organizations:

Employee Services (ES) (OPM HR, Learning Center, Innovation Lab); Executive Secretariat Office (ESO), Office of Communications and Public Liaison (CPL), Office of Diversity and Inclusion (ODI), and Congressional, Legislative, & Intergovernmental Affairs (CLIA)

Implementation Considerations:

Strategic Workforce Planning (SWP) will provide Government-wide models, tools and best practices to support OPM/HR's creation of a workforce plan and gap closure strategy. SWP and HR will partner throughout implementation of this initiative, so a unified project plan and coordinated leadership and

management of the project will be critical to its success. SWP will provide workforce planning and skills gaps analysis experts to provide the methods and tools for creating the corporate workforce plan. SWP will be critically dependent on internal HR staff availability to support data collection/analysis, and to participate in workforce planning for long term institutional sustainability. Access to Comprehensive Human Resources Integrated System (CHRIS), Enterprise Human Resources Integration (EHRI) and other data sources will be critical to apply the appropriate data analysis to forecasting OPM workforce directions/gaps, and creating plans to fill those gaps.

Learning Center and the LAB@OPM space and staff will be required to successfully implement the programs. The OPM Learning Center and the LAB@OPM will design, implement, manage and evaluate the programs to provide targeted learning and developmental opportunities for OPM’s employees. These organizations will identify skills development priorities based on OPM’s strategic goals and ongoing needs assessment, including skills gaps analysis, in collaboration with OPM leadership and HR; design programs to meet these priorities; develop content for training and development; and create technology-based solutions where appropriate to enable access to these opportunities. These organizations will use core staff to design and manage the programs, while leveraging OPM-wide resources to serve as adjunct faculty; design opportunities team members, or mentors/coaches in support of specific content delivery.

OPM Connect will be designed as a pilot project under the Government-wide GovConnect initiative being implemented as part of the President’s Second Term Management Agenda. OPMConnect’s core team will be required to create project plans and methods in full coordination with the overall GovConnect project timeline and process. Labor-management cooperation, executive and management participation, and the support of the offices of the Executive Secretariat and Ombudsman; Office of Diversity and Inclusion; Office of Communications and Public Liaison, and Congressional, Legislative and Intergovernmental Affairs will be key factors in OPMConnect design and implementation. Where needed, changes in practice and possibly in internal OPM policies may be required to enable talent exchange to succeed.

CHCOC support for Government-wide skills gap analysis and workforce strategy is assumed to provide OPM a standard method for workforce planning and skill gap analysis.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|---------------------------|-------------|
| Diverse and Effective OPM Workforce | | |
| 1.03 | | |
| Provide targeted learning and developmental opportunities for OPM's employees | \$1,582,813 | 11.8 |
| Communications & Public Liaison | \$202,060 | 1.5 |
| Common Services | \$202,060 | 1.5 |
| Employee Services | \$1,096,408 | 8.5 |
| Common Services | \$481,014 | 4.0 |
| RF - Revolving Fund Direct | \$0 | 0.5 |
| Salaries & Expenses Appropriation | \$615,394 | 4.0 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------------------|-------------|
| Office of Diversity and Inclusion | \$160,988 | 1.2 |
| Salaries & Expenses Appropriation | \$160,988 | 1.2 |
| Congressional, Legislative and Intergovernmental Affairs | \$77,717 | 0.4 |
| Common Services | \$77,717 | 0.4 |
| Executive Secretariat | \$45,640 | 0.2 |
| Common Services | \$45,640 | 0.2 |
| OPM Total | \$1,582,813 | 11.8 |

Strategic Goal: 2 Timely, Accurate, and Responsive Customer Service

Strategic Goal Statement:

Provide timely, accurate, and responsive service that addresses the diverse needs of our customers.

OPM has a diverse set of customers that include Federal employees, retirees, Federal human resource professionals, Federal agencies, uninsured Americans, and job applicants. While it may not be possible to have a single approach to customer service to meet the diverse needs of such a wide range of customers, OPM's customer-facing components stand to gain much from sharing information and strategies with one another. The bottom line is that OPM's customers should expect a consistently high standard of service quality. Achieving success in this area will go a long way toward establishing an OPM brand that we all can be proud of.

Performance Budget Request by Strategy, Organization and Fund--All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|------------|
| Timely, Accurate, and Responsive Customer Service | | |
| 2.01 | | |
| Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$1,046,135 | 4.7 |
| Chief Human Capital Officer Council | \$124,532 | 0.8 |
| Advances & Reimbursements To S&E | \$124,532 | 0.8 |
| Employee Services | \$113,711 | 1.0 |
| Common Services | \$113,711 | 1.0 |
| HR Solutions | \$305,022 | 1.4 |
| RF - Training Services (HRS) | \$305,022 | 1.4 |
| Office of the Director | \$429,352 | 1.0 |
| Common Services | \$429,352 | 1.0 |
| Planning & Policy Analysis | \$73,518 | 0.5 |
| Salaries & Expenses Appropriation | \$73,518 | 0.5 |
| 2.02 | | |
| Promote shared accountability for the customer service strategy | \$1,100,432 | 7.7 |
| Chief Human Capital Officer Council | \$124,532 | 0.8 |
| Advances & Reimbursements To S&E | \$124,532 | 0.8 |
| Employee Services | \$538,633 | 4.0 |
| Common Services | \$113,711 | 1.0 |
| Salaries & Expenses Appropriation | \$424,922 | 3.0 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ | |
|--|--------------------|-------------|
| | Dollars | FTE |
| HR Solutions | \$271,490 | 1.8 |
| RF - Training Services (HRS) | \$271,490 | 1.8 |
| Planning & Policy Analysis | \$73,518 | 0.5 |
| Salaries & Expenses Appropriation | \$73,518 | 0.5 |
| Healthcare & Insurance | \$92,259 | 0.6 |
| Trust Fund Title V - Long Term Care | \$92,259 | 0.6 |
| 2.03 | | |
| Improve IT Capabilities to interface with customers | \$3,728,221 | 16.0 |
| Employee Services | \$113,711 | 1.0 |
| Common Services | \$113,711 | 1.0 |
| HR Solutions | \$3,118,939 | 11.1 |
| RF - Training Services (HRS) | \$3,118,939 | 11.1 |
| Office of the Director | \$64,383 | 0.7 |
| Common Services | \$64,383 | 0.7 |
| Healthcare & Insurance | \$431,188 | 3.2 |
| Salaries & Expenses Appropriation | \$300,227 | 2.2 |
| TF Limit - Annual | \$130,961 | 1.0 |
| 2.04 | | |
| Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$1,547,862 | 11.4 |
| Communications & Public Liaison | \$229,000 | 2.0 |
| Common Services | \$229,000 | 2.0 |
| Employee Services | \$566,563 | 3.5 |
| Salaries & Expenses Appropriation | \$566,563 | 3.5 |
| HR Solutions | \$90,510 | 0.3 |
| RF - Training Services (HRS) | \$90,510 | 0.3 |
| Office of Diversity and Inclusion | \$169,008 | 1.3 |
| Salaries & Expenses Appropriation | \$169,008 | 1.3 |
| Congressional, Legislative and Intergovernmental Affairs | \$235,739 | 2.0 |
| Common Services | \$235,739 | 2.0 |
| Executive Secretariat | \$257,042 | 2.3 |
| Common Services | \$257,042 | 2.3 |
| OPM Total | \$7,422,650 | 39.7 |

Strategy: 2.01 Develop and implement a strategic plan for customer service that addresses each of our major program goals

Progress Indicator Statement:

All OPM employees (and contractors) in customer-facing units will receive training (delivered through a shared services model) in customer service based on objectives defined in the customer service strategic plan.

Strategy Overview:

In 2012, the President issued an executive order calling upon agencies to provide the public with “competent, efficient, and responsive service.” OPM’s Retirement Services (RS) answered the call. In 2013, RS established the Compassion, Accuracy, Responsiveness and Empowerment (CARE) Team to oversee and implement internal human capital improvements and external customer service initiatives. The acronym CARE was developed through focus group discussions and communicates the four key values that RS employees should demonstrate: Compassion, Accuracy, Responsiveness, and Empowerment. The CARE initiative has helped OPM provide enhanced customer service to annuitants, survivors, and family members.

OPM will build on the CARE initiative and best practices from other divisions to create an OPM-wide Customer Service Strategy for each customer segment that will enhance our overall customer service. Based on core components of the CARE initiative, the customer service strategy will include the following elements:

Understanding the Data

Current surveys and data sets provide valuable information on how we can build on our customer services successes while also identifying areas for improvement. Understanding the data will include taking an inventory of OPM’s points of contact within each customer segment to identify duplication, gaps, hidden gems, heroes, best practices, and centers of excellence. Valuable information may be provided by customers such as the Chief Human Capital Officers Council (CHCOC), the Federal Human Resource community, Federal employees, Federal agency investigative components, and retired annuitants. The diversity of perspectives will help us identify our key customer service challenges and successes.

The customer service strategy will explore three pillars of data collection:

- Customer service: data related to customer service, such as customer satisfaction surveys;
- Employee input: information from frontline employees, who are closest to the customers, to identify issues and solutions on how to provide higher quality customer service; and
- Process improvements: workload data and other metrics to demonstrate if we are on track to meeting our goals.

Understanding the data will help us identify how customer service improvement will drive the achievement of program outcome goals through the LAB@OPM, human-centered design, and other collaborative methods.

Develop an Action Plan

The action plan will outline our implementation strategies to enhance strengths, address challenges, and leverage resources. Performance metrics will be included to measure our progress towards program goals, hold employees and units accountable, and incentivize exemplary customer service. It will support program goals and help re-allocate resources from unsuccessful customer service efforts to successful ones, and will ensure cross-channel integration so that service is centered on the customer – not organizational units. We will promote shared accountability for the customer service strategy by assigning a lead responsible for the development of an agency-wide customer service strategic plan and ongoing performance improvement. The action plan will include customer service standards of quality, accuracy and timeliness. There will also be reporting requirements to measure our progress on achieving customer service goals.

One focus of the plan will be on IT capabilities and the recommended approaches to connecting with our customers through digital means. This may be explored using multiple, integrated IT platforms to interface with customers, including USAJOBS, USAStaffing[®], Retirement Services Online, Employee Express, and OPM.gov. Other options may include providing web based tutorials for customers or developing web based media kits.

OPM is committed to engaging our customers as partners and empowering our employees, retirees, and applicants through self-service tools and better information about our services. This includes aligning with customers through avenues such as the CHCOC and Human Resources Line of Business (HRLOB). The action plan will ultimately help us connect with customers through councils, surveys, design sessions, and test beds. Internally it will also set customer service expectations across the agency.

Communication strategies are also a key component of the plan to provide our customers with updated results, changes in legal issues, and other operating procedures. Effective communication will also support the alignment of Federal HR information systems with OPM policy and guidance. We expect this plan will be a living document, updated as needed, to address the changing customer service needs.

Implement Improvements

The customer service strategy will implement actionable items to improve the customer experience. This involves executing recommended actions, tracking and communicating results, and revising the action plan as needed. OPM believes that incorporating continuous human capital improvement will enhance employee workforce satisfaction, production, and increase our ability to better serve our customers.

- While we may not be able to develop a single customer service model to meet the diverse needs of such a broad group of customers and all of OPM's components that focus on customer service, we can benefit from sharing information and from common core strategies.

Anticipated FY 2015 Accomplishments:

OPM will analyze and assess the current level of customer service by developing a customer service strategic plan. The following goals are planned for FY 2015:

- Identify and collect data
 - Conduct inventory of each customer segment in OPM;
 - Identify existing surveys, duplication, gaps, best practices, centers of excellence; and
 - Gather employee input.
 - Analyze the data
 - Identify areas of success;
 - Identify areas for improvement;
 - Determine best practices to adopt; and
 - Develop customer service goals.
- Develop Customer Service Strategic Plan
- Establish Service Level Agreements with common service providers.

Implementation Organizations:

Employee Services (ES), Human Resources Solutions (HRS), Office of the Director (OD), Policy Planning and Analysis (PPA)

Implementation Considerations:

For FY 2015, our objective is to develop an OPM-wide customer service strategic plan that covers each of our customer segments. The customer service strategic plan will be written collectively. While we may not be able to develop a single customer service model to meet the diverse needs of such a broad group of customers, and all of OPM's components, that focus on customer service, we can benefit from sharing information, and from common core strategies. Once this customer service strategic plan is developed, OPM will have a better understanding of our customers, customer service goals, and be able to implement a customer service action plan for each organization.

Employee Services (ES) provides policy direction and leadership in designing, developing and promulgating Government-wide human resources systems and programs for recruitment, pay, leave, performance management and recognition, employee development, work/life/wellness programs and labor and employee relations. They provide technical support to agencies regarding the full range of human resources management policies and practices, to include veterans' employment and agency program evaluation. ES also manages the operation of OPM's internal human resources program.

HR Solutions (HRS) provides exceptional human resources products and services to meet the dynamic needs of the Federal Government. Their nationwide cadre of consultants, psychologists, IT specialists,

faculty, and program managers assist Federal agencies in achieving their missions by partnering with them to develop leaders, attract and build a high quality public sector workforce, and transform the agencies into high performing organizations. HRS also offer agencies the opportunity to access a world class consulting experience from pre-competed private companies managed and administered by OPM's Training and Management Assistance Program.

Office of the Director, promotes our initiatives, programs, and materials, we seek to recruit and hire the best talent; to train and motivate employees to achieve their greatest potential; and to constantly promote an inclusive work force defined by diverse perspectives.

Planning and Policy Analysis (PPA) provides the Director with reports, information and other analysis assessing program trends and policy issues that affect OPM. The scope of PPA analysis spans the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis). A particular area of responsibility is the analysis of policy options, legislative changes and trends that affect OPM's management of health and insurance benefits for Federal employees.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|------------|
| Timely, Accurate, and Responsive Customer Service | | |
| 2.01 | | |
| Develop and implement a strategic plan for customer service that addresses each of our major program goals | \$1,046,135 | 4.7 |
| Chief Human Capital Officer Council | \$124,532 | 0.8 |
| Advances & Reimbursements To S&E | \$124,532 | 0.8 |
| Employee Services | \$113,711 | 1.0 |
| Common Services | \$113,711 | 1.0 |
| HR Solutions | \$305,022 | 1.4 |
| RF - Training Services (HRS) | \$305,022 | 1.4 |
| Office of the Director | \$429,352 | 1.0 |
| Common Services | \$429,352 | 1.0 |
| Planning & Policy Analysis | \$73,518 | 0.5 |
| Salaries & Expenses Appropriation | \$73,518 | 0.5 |
| OPM Total | \$1,046,135 | 4.7 |

Strategy: 2.02 Promote shared accountability for the customer service strategy

Progress Indicator Statement:

Each customer-facing unit of OPM will establish customer service standards and quantifiable performance targets for timeliness, accuracy, and quality.

Strategy Overview:

- OPM will build on the CARE initiative and best practices from other divisions to create an OPM-wide Customer Service Strategy for each customer segment that will enhance our overall customer service. Based on core components of the CARE initiative we will focus on development of an action plan and implementing improvements that cover the following:
 - Assigning a cross-OPM lead for Customer Service Strategy responsible for the development of an agency-wide customer service strategic plan and ongoing performance improvement;
 - Developing customer service standards (timeliness, accuracy, and quality) to hold employees and units accountable and incentivizing exemplary customer service;
 - Reporting by program goal owners on their progress on customer service goals set in the strategic plan on a routine basis; and
 - Engaging all our customers as partners in meeting agency goals:
 - Align customers through the CHCO Council and Human Resources Line of Business (HRLOB);
 - Empower employees, retirees, and applicants through self-service tools and better information about our services;
 - Increase outreach to customers through customer councils, surveys, participatory design sessions in The LAB @ OPM and test beds; and
 - Set customer service expectations across the agency.

Anticipated FY 2015 Accomplishments:

Anticipated accomplishments for this strategy are scheduled to begin in FY 2016 and are contingent upon the completion of strategic goal 2.01 in FY 2015. However, OPM will continue to conduct its annual Customer Satisfaction Survey that targets specific areas of the agency. This biennial survey provides critical customer data, as well as year-over-year trends about customer satisfaction with OPM product offerings and service deliveries. It provides a customer-centric bellwether about specific OPM product offerings, ensuring the organization is meeting customer demand – that, indeed, OPM is offering the correct product and service solution set. The survey is performed in the fall and spring each year and covers a period of approximately 6-7 weeks.

At the completion of this accomplishment, critical data will be collected and analyzed to study the overall effect of this strategy on customer service. This data will be incorporated into customer service strategic plan and will be a major influence on the milestones and tasks of the plan.

Implementation Organizations:

Employee Services (ES), Human Resources Solutions (HRS), Healthcare and Insurance (HI), Policy, Planning and Analysis (PPA), and Chief Human Capital Officer Council (CHCOC)

Implementation Considerations:

Employee Services (ES) provides policy direction and leadership in designing, developing and promulgating Government-wide human resources systems and programs for recruitment, pay, leave, performance management and recognition, employee development, work/life/wellness programs and labor and employee relations. They provide technical support to agencies regarding the full range of human resources management policies and practices, to include veterans' employment and agency program evaluation. ES also manages the operation of OPM's internal human resources program.

HR Solutions (HRS) provides exceptional human resources products and services to meet the dynamic needs of the Federal Government. Their nationwide cadre of consultants, psychologists, IT specialists, faculty, and program managers assist Federal agencies in achieving their missions by partnering with them to develop leaders, attract and build a high quality public sector workforce, and transform the agencies into high performing organizations. HRS also offer agencies the opportunity to access a world class consulting experience from pre-competed private companies managed and administered by OPM's Training and Management Assistance Program.

Healthcare & Insurance (HI) provides Federal employees, retirees, and their families with benefit programs that offer choice, value, and quality to help maintain the Government's position as a competitive employer. The benefits programs include insurance for health, dental, vision, long term care, life, and flexible spending accounts. Currently, HI consists of Federal Employee Insurance Operations (FEIO). Soon, HI will include the National Healthcare Operations (NHO) and Healthcare Program Development and Implementation groups (HPDI). FEIO consist of three Insurance offices: Program Planning and Evaluation, Federal Employees Dental and Vision Program, and the Flexible Spending Account, Life, and Long Term Care Insurances.

Planning and Policy Analysis (PPA) provides the Director with reports, information and other analysis assessing program trends and policy issues that affect OPM. The scope of PPA analysis spans the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis). A particular area of responsibility is the analysis of policy options, legislative changes and trends that affect OPM's management of health and insurance benefits for Federal employees.

Chief Human Capital Officer (CHCO). The OPM CHCO provides overall leadership in human resource management for making HC improvements that facilitate OPM-wide support of the Director’s goals and the President’s Management Agenda. This includes ensuring that the necessary resources are directed toward sustaining the HC Accountability System which measures and assesses HC results to ensure alignment with mission goals through effective, efficient operations that comply with merit system principles and other laws and regulations. In addition, the CHCO oversees the establishment and management of OPM’s accountability program; oversees, directs and executes all authorities included in the Chief Human Capital Officer Act; reviews the agency’s budget requests to ensure that they include resources to implement the agency’s Strategic Human Capital Plan, HC Accountability System and activities, and that initiatives are consistent and coordinated OPM-wide and support the Director’s priorities; and reports annually to the Director, senior managers, and the Agency on accountability activities and findings.

The level of support from each implementing organization is contingent upon the completion of the customer service strategic plan. Once this customer service strategic plan is written, we will have a better understanding of our current level of customer service and then be able to develop and implement an action plan for each of the organizations.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|------------|
| Timely, Accurate, and Responsive Customer Service | | |
| 2.02 | | |
| Promote shared accountability for the customer service strategy | \$1,100,432 | 7.7 |
| Chief Human Capital Officer Council | \$124,532 | 0.8 |
| Advances & Reimbursements To S&E | \$124,532 | 0.8 |
| Employee Services | \$538,633 | 4.0 |
| Common Services | \$113,711 | 1.0 |
| Salaries & Expenses Appropriation | \$424,922 | 3.0 |
| HR Solutions | \$271,490 | 1.8 |
| RF - Training Services (HRS) | \$271,490 | 1.8 |
| Planning & Policy Analysis | \$73,518 | 0.5 |
| Salaries & Expenses Appropriation | \$73,518 | 0.5 |
| Healthcare & Insurance | \$92,259 | 0.6 |
| Trust Fund Title V - Long Term Care | \$92,259 | 0.6 |
| OPM Total | \$1,100,432 | 7.7 |

Strategy: 2.03 Improve IT Capabilities to interface with customers

Progress Indicator Statement:

Each customer-facing unit of OPM will achieve customer service standards and quantifiable performance targets for timeliness, accuracy, and quality.

Strategy Overview:

- One focus of the customer service strategic plan will be on IT capabilities and the recommended approaches to connecting with our customers through digital means. Using multiple, integrated IT platforms to interface with customers from all communities and diverse backgrounds, including USAJOBS, USAStaffing[®], Retirement Services Online, EmployeeExpress, and OPM.gov.
- Providing web based tutorials for customers.
- Developing web based media kits for customers.
- Sharing results of customer service surveys with the public in a meaningful way (e.g. metrics and dashboard).

Anticipated FY 2015 Accomplishments:

Anticipated accomplishments for this strategy are scheduled to begin in FY 2016 and are contingent upon the completion of strategy 2.01 in FY 2015. However, OPM will continue to help customers transition to and become proficient with the new version of USA Staffing[®] (both pre- and post-deployment) through a focused communication and engagement strategy.

At the end of this accomplishment, critical data will be collected and analyzed to study the overall effect of this strategy on customer service. This data will be incorporated into Customer Service Strategic Plan and will be a major influence on the milestones and tasks of the plan.

Implementation Organizations:

Employee Services (ES), Human Resources Solutions (HRS), Office of the Director (OD) and Healthcare and Insurance (HI).

Implementation Considerations:

Employee Services (ES) provides policy direction and leadership in designing, developing and promulgating Government-wide human resources systems and programs for recruitment, pay, leave, performance management and recognition, employee development, work/life/wellness programs and labor and employee relations. They provide technical support to agencies regarding the full range of human resources management policies and practices, to include veterans' employment and agency program evaluation. ES also manages the operation of OPM's internal human resources program.

HR Solutions (HRS) provides exceptional human resources products and services to meet the dynamic needs of the Federal Government. Their nationwide cadre of consultants, psychologists, IT specialists,

faculty, and program managers assist Federal agencies in achieving their missions by partnering with them to develop leaders, attract and build a high quality public sector workforce, and transform the agencies into high performing organizations. HRS also offer agencies the opportunity to access a world class consulting experience from pre-competed private companies managed and administered by OPM's Training and Management Assistance Program.

Office of the Director, promotes our initiatives, programs, and materials, we seek to recruit and hire the best talent; to train and motivate employees to achieve their greatest potential; and to constantly promote an inclusive work force defined by diverse perspectives.

Healthcare & Insurance (HI) provides Federal employees, retirees, and their families with benefit programs that offer choice, value, and quality to help maintain the Government's position as a competitive employer. The benefits programs include insurance for health, dental, vision, long term care, life, and flexible spending accounts. Currently, HI consists of Federal Employee Insurance Operations (FEIO). Soon, HI will include the National Healthcare Operations (NHO) and Healthcare Program Development and Implementation groups (HPDI). FEIO consist of three Insurance offices: Program Planning and Evaluation, Federal Employees Dental and Vision Program, and the Flexible Spending Account, Life, and Long Term Care Insurances.

The level of support from each implementing organization is contingent upon the completion of the Customer Service Strategic Plan.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|-------------|
| Timely, Accurate, and Responsive Customer Service | | |
| 2.03 | | |
| Improve IT Capabilities to interface with customers | \$3,728,221 | 16.0 |
| Employee Services | \$113,711 | 1.0 |
| Common Services | \$113,711 | 1.0 |
| HR Solutions | \$3,118,939 | 11.1 |
| RF - Training Services (HRS) | \$3,118,939 | 11.1 |
| Office of the Director | \$64,383 | 0.7 |
| Common Services | \$64,383 | 0.7 |
| Healthcare & Insurance | \$431,188 | 3.2 |
| Salaries & Expenses Appropriation | \$300,227 | 2.2 |
| TF Limit - Annual | \$130,961 | 1.0 |
| OPM Total | \$3,728,221 | 16.0 |

Strategy: 2.04 Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle

Progress Indicator Statement:

OPM will develop in the future.

Strategy Overview:

- Effective communication strategies are also a key component of the customer service strategic plan to provide our customers with updated results, changes in legal issues, and other operating procedures. Communicating key topics (inclusion, engagement, telework) on multiple platforms.
- Keeping customers abreast of legal changes.
- Ensuring that all HR information systems across the Federal Government are aligned with OPM policy and guidance.

Anticipated FY 2015 Accomplishments:

Most of this work will occur in FY 2016. However, OPM will continue to communicate key topics on multiple platforms, keep customers abreast of legal changes, and look at how HR information systems across the Federal government are aligned with OPM policy and guidance.

Throughout these accomplishments, critical data will be collected and analyzed to study the overall effect of this strategy on customer service. This data will be incorporated into the Customer Service Strategic Plan and will be a major influence on the milestones and tasks of plan.

Implementation Organizations:

Communications & Public Liaison (CPL), Employee Services (ES), Human Resources Solutions (HRS), Congressional, Legislative and Intergovernmental Affairs (CLIA), and Office of Diversity and Inclusion (ODI), and Executive Secretariat Office (ESO).

Implementation Considerations:

The level of support from each implementing organization is contingent upon the completion of the customer service strategic plan. Each implementing office will be in research and discovery mode, as they conduct studies of their policies and procedures in the employee lifecycle to determine the best approach for communicating, informing, and synchronizing with HR information systems across the Federal Government.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|-------------|
| Timely, Accurate, and Responsive Customer Service | | |
| 2.04 | | |
| Improve customers understanding of the policies and procedures that apply throughout the employee lifecycle | \$1,547,862 | 11.4 |
| Communications & Public Liaison | \$229,000 | 2.0 |
| Common Services | \$229,000 | 2.0 |
| Employee Services | \$566,563 | 3.5 |
| Salaries & Expenses Appropriation | \$566,563 | 3.5 |
| HR Solutions | \$90,510 | 0.3 |
| RF - Training Services (HRS) | \$90,510 | 0.3 |
| Office of Diversity and Inclusion | \$169,008 | 1.3 |
| Salaries & Expenses Appropriation | \$169,008 | 1.3 |
| Congressional, Legislative and Intergovernmental Affairs | \$235,739 | 2.0 |
| Common Services | \$235,739 | 2.0 |
| Executive Secretariat | \$257,042 | 2.3 |
| Common Services | \$257,042 | 2.3 |
| OPM Total | \$1,547,862 | 11.4 |

Strategic Goal: 3 Evidence-Based Policy and Practices

Strategic Goal Statement:

Serve as the thought leader in research and data-driven human resource management and policy decision making.

As the Federal Government's human resource leader, OPM designs and executes policies that touch all Federal agencies, their leaders, workers, applicants, retirees and survivors. Effective policy leadership, design and enforcement requires evidence-based decision making. The objective of this strategic goal is to transform OPM into a thought leader on HR policy by enabling all OPM employees involved in HR policy and program design to: ask meaningful and significant questions about the policy's context, components and potential impacts; design strong research methods and analytic tools to understand root causes, correlations and possible future scenarios; and communicate results of the analysis to drive solid decisions and policy design. Through this goal, OPM will create standard operating procedures for assuring all human resources management and policy decisions are informed by evidence generated through rigorous data analytics.

This goal supports the Administration's data strategy and focus on evidence-based policy and program design and management. It positions OPM to create defensible policies and programs founded on reliable, valid and appropriate data from a range of sources; and to communicate policy and program options and decisions in ways that better enable stakeholders to understand the basis for OPM decisions. The complexities and challenges of HR policy and management in 21st century Government requires OPM to position HR policy and management for current and future requirements.

As part of our mission, OPM collects, manages, and analyzes a range of HR data from a variety of sources. In order to optimize policy design and practices, OPM needs a cohesive structure to manage, integrate and apply data across the agency and with external partners. This focus on data quality standards, research design and analytic tools will support OPM's policy development and operations and enable OPM to contribute further to rigorous research and evaluations. We will also be vigilant with respect to the need to protect personally identifiable information in compliance with the law and accepted practice.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|---------------------------|-------------|
| Evidence-Based Policy and Practices | | |
| 3.01 | | |
| Create an owner to drive focused attention to data analysis | \$654,982 | 4.0 |
| Employee Services | \$386,577 | 2.5 |
| Salaries & Expenses Appropriation | \$386,577 | 2.5 |
| Planning & Policy Analysis | \$268,405 | 1.5 |
| Salaries & Expenses Appropriation | \$268,405 | 1.5 |
| 3.02 | | |
| Build strong data analysis, infrastructure and implementation tools and talent | \$843,800 | 5.5 |
| Employee Services | \$425,765 | 3.0 |
| Salaries & Expenses Appropriation | \$425,765 | 3.0 |
| Planning & Policy Analysis | \$268,403 | 1.5 |
| Salaries & Expenses Appropriation | \$268,403 | 1.5 |
| Merit System Accountability & Compliance | \$149,632 | 1.0 |
| Salaries & Expenses Appropriation | \$149,632 | 1.0 |
| 3.03 | | |
| Develop partnerships to access and analyze data | \$893,915 | 6.3 |
| Employee Services | \$744,283 | 5.3 |
| Salaries & Expenses Appropriation | \$744,283 | 5.3 |
| Merit System Accountability & Compliance | \$149,632 | 1.0 |
| Salaries & Expenses Appropriation | \$149,632 | 1.0 |
| 3.04 | | |
| Make data analytics a fundamental part of OPM culture | \$5,809,996 | 9.7 |
| Employee Services | \$155,030 | 1.0 |
| Salaries & Expenses Appropriation | \$155,030 | 1.0 |
| HR Solutions | \$5,654,966 | 8.7 |
| RF - Training Services (HRS) | \$5,654,966 | 8.7 |
| OPM Total | \$8,202,693 | 25.5 |

Strategy: 3.01 Create an owner to drive focused attention to data analysis

Progress Indicator Statement:

Increase in the production and dissemination of evidence-based policy papers, evaluations, and research.

Strategy Overview:

Create an owner to drive focused attention to data analysis by:

- Developing and standardizing policies and procedures for all data governed by OPM;
- Establishing an internal and external governance structure overseeing data analysis; and
- Setting an annual research agenda to focus attention on current and projected issues affecting the Federal workforce and the relevant data important to those issues.

Anticipated FY 2015 Accomplishments:

- Stand up Data Analytics Governance Board;
- Design and execute a communication plan to help leaders and staff across OPM meet standards and implement business processes; and
- Develop SOP for budgeting, submitting, selecting and completing projects for the research agenda.

Implementation Organizations:

Employee Services (ES), and Planning and Policy Analysis (PPA)

Implementation Considerations:

OPM's ES and PPA will directly support this strategy to designate a driver, structure, and standards for corporate data analysis. ES and PPA will provide policy direction and program support in establishing a corporate data governance structure and coordinating collaboration across the agency to establish enterprise quality and management standards and to set a unified research agenda. Various program contingencies and constraints may affect the achievement of the strategies, accomplishments, and milestones planned for Strategy 3.01. These factors include staff availability, OPM leadership and management willingness to provide internal and (in some cases) external access to data required to achieve this strategic goal, and addressing Personal Identifiable Information (PII) protection and other data security issues will be critical to this goal.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|--------------------------------|------------|
| Evidence-Based Policy and Practices | | |
| 3.01 | | |
| Create an owner to drive focused attention to data analysis | \$654,982 | 4.0 |
| Employee Services | \$386,577 | 2.5 |
| Salaries & Expenses Appropriation | \$386,577 | 2.5 |
| Planning & Policy Analysis | \$268,405 | 1.5 |
| Salaries & Expenses Appropriation | \$268,405 | 1.5 |
| OPM Total | \$654,982 | 4.0 |

Strategy: 3.02 Build strong data analysis, infrastructure and implementation tools and talent

Progress Indicator Statement:

Increased employee satisfaction with tools required to do their jobs.

Strategy Overview:

Build strong data analysis, infrastructure and implementation tools and talent by:

- Integrating data received by OPM through use of a common identifier;
- Developing shared communication and decision-making tools to manage data; and
- Building internal consulting and tools to drive evidence-based policy practices.

Anticipated FY 2015 Accomplishments:

- Baseline OPM current spending on data analytic tools and talent;
- Standardized policy and business processes established for OPM-wide evidence-based decision making; and
- Develop shared data analysis, visualization, communication and decision making tools.

Implementation Organizations:

Employee Services (ES), Policy, Planning and Analysis (PPA), and Merit System Accountability & Compliance (MSAC)

Implementation Considerations:

ES, PPA and MSAC will develop a consistent, enterprise-wide data analytics infrastructure, tools, and skill base. ES and PPA will provide policy direction and program support in establishing a data integration strategy and in identifying and developing or acquiring data analytics tools. CIO will provide technical advice on data integration strategies and data tools.

Various program contingencies and constraints may affect the achievement of the strategies, accomplishments, and milestones planned for Strategy 3.02. This internal OPM initiative will also support OPM's effort to create a data integration strategy for Government-wide human resource information technology systems. While not critically dependent on the Government-wide effort, implementation decisions will optimally be fully aligned with the broader HRIT data integration strategy.

| OPM Budget Authority | FY 2015 CBJ Dollars | FTE |
|---|------------------------------------|------------|
| Evidence-Based Policy and Practices | | |
| 3.02 | | |
| Build strong data analysis, infrastructure and implementation tools and talent | \$843,800 | 5.5 |
| Employee Services | \$425,765 | 3.0 |
| Salaries & Expenses Appropriation | \$425,765 | 3.0 |
| Planning & Policy Analysis | \$268,403 | 1.5 |
| Salaries & Expenses Appropriation | \$268,403 | 1.5 |
| Merit System Accountability & Compliance | \$149,632 | 1.0 |
| Salaries & Expenses Appropriation | \$149,632 | 1.0 |
| OPM Total | \$843,800 | 5.5 |

Strategy: 3.03 Develop partnerships to access and analyze data

Progress Indicator Statement:

A growing number of collaborative relationships with universities, think tanks, and others using OPM data.

Strategy Overview:

Develop partnerships to access and analyze data by:

- Working with universities, other academic institutions, and industry to access data sets and ensure that OPM is using the most current analytic methods;
- Developing work groups with agencies to assess the most commonly used data and information;
- Establishing a data analysis community of practice and standards through CHCO Council and HRLOB; and
- Partnering with Think Tanks to share best practices and compare methods.

Anticipated FY 2015 Accomplishments:

- Establish a Chief Human Capital Officer Council (CHCOC) and cross sector HR data analytics community to identify commonly used data and emerging research agenda and initiatives.

Implementation Organizations:

Employee Services (ES), and Merit System Accountability & Compliance (MSAC)

Implementation Considerations:

Various program contingencies and constraints may affect the achievement of the strategies, accomplishments, and milestones planned for Strategy 3.03. These factors include cross-sector segments in collaboration and data sharing, regulatory restraints to sharing of proprietary data, addressing Personal Identifiable Information (PII) protection and other data security issues. The objective also assumes availability of an open platform for data sharing, and budgetary resources for challenge prizes in support crowd sourcing initiatives. MSAC will participate to inform on data necessary used to insure compliance with Merit Systems.

Strategy: 3.04 Make data analytics a fundamental part of OPM culture

Progress Indicator Statement:

Increased employee satisfaction with tools required to do their jobs.

An increasing number of OPM analysts trained on accessing data from OPM sources.

Improvement in stakeholder perceptions of the quality (relevance, timeliness, accuracy) of our analytic products.

Strategy Overview:

Make data analytics a fundamental part of OPM culture by:

- Providing training to OPM employees on data analysis and navigating cross-agency data sets;
- Creating business processes to manage the access to and use of and data by employees and ensure compliance with applicable legal requirements;
- Publishing an annual report discussing progress and challenges related to data analysis;
- Providing tools directly linked to findings;
- Providing training to OPM employees to navigate cross-agency data;
- Providing basic data analytics training available to all employees through the Learning Center;
- Providing advanced data analytics, visualization and decision making training to OPM employees responsible for data analysis and/or policy design; and
- Creating business processes to manage the access to and use of and data by employees.

Anticipated FY 2015 Accomplishments:

- Develop a basic data analytics training course through the OPM's Learning Center;
- Provide advanced data analytics, visualization and decision making training to OPM employees responsible for data analysis, policy design and leadership; and
- Implement a redesigned architecture of USA Staffing[®], in line with OPM's enterprise architecture, that supports recruitment data standards for reporting and system integrations.

Implementation Organizations:

Employee Services (ES), and Human Resources Solutions (HRS)

Implementation Considerations:

OPM's ES and HRS will directly support this strategy to become skilled in and apply data analytics in day to day practices and decision making. ES will provide leadership and program support through the

Learning Center to train employees on data analytics, and use HR University to link OPM employees to data analytics and policy design training resources available across Government. HRS will provide input on business processes for employee access and use of data. In addition, HRS, which operates under the premise that evolving customer needs and marketing environments require advanced and immediately relevant products and services, will focus on strategic innovation to identify and address the future needs of our Federal customers. In supporting a culture founded on data based decision making, HRS will utilize financial and business intelligence to conduct operations, establish financial goals, and develop revenue and sales forecasts. Additionally, HRS will continue a multi-year initiative to make changes to the USA Staffing® system to support reporting enhancements that will position Federal agencies to better analyze recruitment data.

Various program contingencies and constraints may affect the achievement of the strategies, accomplishments, and milestones planned for Strategy 3.04. These factors include delays in OPM systems integration efforts that could impact timely delivery of the USA Staffing® upgrade.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|------------|
| Evidence-Based Policy and Practices | | |
| 3.04 | | |
| Make data analytics a fundamental part of OPM culture | \$5,809,996 | 9.7 |
| Employee Services | \$155,030 | 1.0 |
| Salaries & Expenses Appropriation | \$155,030 | 1.0 |
| HR Solutions | \$5,654,966 | 8.7 |
| RF - Training Services (HRS) | \$5,654,966 | 8.7 |
| OPM Total | \$5,809,996 | 9.7 |

Strategic Goal: 4 Efficient and Effective Information Systems

Strategic Goal Statement:

Manage information technology systems efficiently and effectively in support of OPM's mission.

A significant portion of OPM's budget is spent on information technology (IT). For the most part, these expenditures are dedicated to the development and support of IT systems for specific Human Resource (HR) business functions, such as retirement, background investigations, hiring, etc. The remainder of the expenditures support OPM's workforce to include such tools as email, calendaring, remote access, internet access, file storage, etc. There is an opportunity to manage OPM's IT systems more efficiently and effectively through the development and implementation of an OPM-wide IT strategy. Through this corporate approach, OPM can leverage IT capabilities in one program area to support other program areas, benefitting the entire Federal Government.

Given the critical importance of information to human resource management, OPM will have a clear, unified IT strategy that will assure scarce resources are spent wisely based on agency business priorities.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|-------------|
| Efficient and Effective Information Systems | | |
| 4.01 | | |
| Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$12,137,357 | 14.3 |
| Chief Information Officer | \$936,685 | 4.0 |
| Information Technology Funding | \$936,685 | 4.0 |
| Employee Services | \$155,030 | 1.0 |
| Salaries & Expenses Appropriation | \$155,030 | 1.0 |
| HR Solutions | \$2,070,332 | 2.8 |
| RF - Training Services (HRS) | \$2,070,332 | 2.8 |
| Planning & Policy Analysis | \$8,861,783 | 5.5 |
| RF HRLOB Activities | \$3,000,000 | 0.0 |
| Salaries & Expenses Appropriation | \$5,861,783 | 5.5 |
| Merit System Accountability & Compliance | \$113,527 | 1.0 |
| Salaries & Expenses Appropriation | \$113,527 | 1.0 |
| 4.02 | | |
| Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$22,697,888 | 36.8 |
| Chief Information Officer | \$2,810,200 | 16.5 |
| Information Technology Funding | \$1,976,200 | 11.0 |
| Salaries & Expenses Appropriation | \$834,000 | 5.5 |
| HR Solutions | \$17,266,797 | 11.1 |
| RF - Training Services (HRS) | \$17,266,797 | 11.1 |
| Office of the Chief Financial Officer | \$595,178 | 3.9 |
| Common Services | \$595,178 | 3.9 |
| Office of the Director | \$55,845 | 0.3 |
| Common Services | \$55,845 | 0.3 |
| Planning & Policy Analysis | \$1,969,868 | 5.0 |
| TF Limit - Annual | \$1,969,868 | 5.0 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|--------------|
| 4.03 | | |
| Implement enterprise initiatives that leverage capabilities and tools throughout OPM | \$35,837,835 | 122.6 |
| Chief Information Officer | \$30,917,833 | 112.0 |
| Information Technology Funding | \$29,975,833 | 106.5 |
| Salaries & Expenses Appropriation | \$942,000 | 5.5 |
| Office of the Chief Financial Officer | \$4,365,966 | 6.9 |
| Common Services | \$4,365,966 | 6.9 |
| Office of the Director | \$63,683 | 0.7 |
| Common Services | \$63,683 | 0.7 |
| Planning & Policy Analysis | \$327,608 | 2.0 |
| Salaries & Expenses Appropriation | \$327,608 | 2.0 |
| Merit System Accountability & Compliance | \$162,745 | 1.0 |
| Salaries & Expenses Appropriation | \$162,745 | 1.0 |
| 4.04 | | |
| Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$207,136,884 | 176.6 |
| Chief Information Officer | \$96,886,808 | 171.6 |
| RF - USAJOBS | \$11,487,544 | 17.0 |
| RF Employment Services (HRTT) | \$33,285,228 | 98.0 |
| RF Enterprise Human Resources Integration | \$37,001,036 | 13.6 |
| Salaries & Expenses Appropriation | \$5,122,000 | 0.0 |
| TF Limit - Annual | \$7,438,000 | 40.0 |
| Trust Fund-Title V | \$2,553,000 | 3.0 |
| Employee Services | \$1,321,224 | 0.0 |
| Common Services | \$1,036,130 | 0.0 |
| Salaries & Expenses Appropriation | \$285,094 | 0.0 |
| Federal Investigative Services | \$105,713,475 | 0.0 |
| RF Investigative Services | \$105,713,475 | 0.0 |
| Healthcare & Insurance | \$3,215,377 | 5.0 |
| Salaries & Expenses Appropriation | \$1,789,855 | 2.0 |
| TF Limit - Annual | \$1,425,522 | 3.0 |
| OPM Total | \$277,809,964 | 350.2 |

Strategy: 4.01 Commit to a federal enterprise-wide IT systems strategy based on the principle that business drives IT strategy

Progress Indicator Statement:

Compliance of IT services and systems.

Strategy Overview:

Commit to an enterprise-wide IT systems strategy based on the principle that business drives strategy by:

- Publishing OPM's IT Strategic Plan;
- Delivering a framework for a set of standards that supports the entirety of the HR life cycle as documented in the Human Resources Line of Business (HRLOB) Business Reference Model (BRM) that recognizes and synergizes the technology and tools within OPM, Shared Service Centers, and industry;
- Establishing a culture of openness and trust throughout the HR IT community and among key federal stakeholder communities; and
- Establishing a practice of transparent IT cost accounting throughout OPM.

Anticipated FY 2015 Accomplishments:

OPM will have a robust IT strategic plan and implementation plan for a sustainable IT program driven by business priorities.

Implementation Organizations:

Office of the Director (OD), Chief Financial Officer (CFO), Chief Information Officer (CIO), Employee Services (ES), Facilities, Security and Contracting (FSC), Federal Investigation Services (FIS), Health and Insurance (HI), Human Resources Solutions (HRS), Merit System Accountability and Compliance (MSAC), Policy & Planning Analysis (PPA), & Retirement Services (RS)

Implementation Considerations:

OPM is preparing an IT Strategic Plan that provides a framework for a set of standards that supports the entirety of the HR life cycle using the HRLOB BRM. This framework will enable shared data and performance outcomes across the HR life-cycle while allowing flexibility for Shared Service Centers (SSCs) and agencies to adopt IT tools and technologies that best meet the mission of the Federal Government. The framework will enable a culture of openness and trust through common practices and transparent IT spending while providing accountability for IT decisions. OPM will engage the Chief Human Capital Officers (CHCO) Council to develop the set of standards to ensure all agencies participate so that their unique requirements are understood and reflected in our approach.

All OPM systems will need to eventually conform to the data and system standards established in the strategic and implementation plans. FIS, RS and HI are major IT investments, which represent all of the IT business systems in OPM, some are revolving funded as products/services, and others help OPM reach the mission without fees to agencies. Resources are specifically dedicated to this strategy in HRS as they utilize a variety of information systems to support the cadre of product and service offerings to our Federal customers. Interfacing the HRS USA Suite of Services with OPM systems is a strong benefit to HRS, enabling connection with current human capital information and providing customers with the most cost effective products and services. PPA is assigning resources within the Enterprise Human Resources Integration, Health Claims Data Warehouse, and HRLOB projects to achieve this goal, as are ES and MSAC. OPM's CFO and contracting staff will need to coordinate with the CIO to ensure compliance with agency standards.

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Percent of HRLOB Business Reference Model described by standard specifications* | N/A | N/A | N/A | N/A | N/A | N/A |

* Not Applicable – This performance measure is new. A benchmark will be established in FY 2014. The FY 2015 Target will be set once the benchmark is known.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|---------------------|-------------|
| Efficient and Effective Information Systems | | |
| 4.01 | | |
| Commit to an enterprise-wide IT systems strategy based on principle that business drives IT strategy | \$12,137,357 | 14.3 |
| Chief Information Officer | \$936,685 | 4.0 |
| Information Technology Funding | \$936,685 | 4.0 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|-------------|
| Employee Services | \$155,030 | 1.0 |
| Salaries & Expenses Appropriation | \$155,030 | 1.0 |
| HR Solutions | \$2,070,332 | 2.8 |
| RF - Training Services (HRS) | \$2,070,332 | 2.8 |
| Planning & Policy Analysis | \$8,861,783 | 5.5 |
| RF HRLOB Activities | \$3,000,000 | 0.0 |
| Salaries & Expenses Appropriation | \$5,861,783 | 5.5 |
| Merit System Accountability & Compliance | \$113,527 | 1.0 |
| Salaries & Expenses Appropriation | \$113,527 | 1.0 |
| OPM Total | \$12,137,357 | 14.3 |

Strategy: 4.02 Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance

Progress Indicator Statement:

Compliance of IT services and systems.

Strategy Overview:

Implement enabling successful practices and initiatives that strengthen IT leadership and governance by:

- Enhancing the OPM Director's ability to establish strategy and policy across the HR life cycle;
- Enabling the Chief Human Capital Officers Council to work with the OPM Director to translate the HR strategy and policy into business and policy requirements for HR IT systems;
- Positioning the OPM CIO as the Federal HR CIO responsible for setting Government-wide HRIT strategic direction and standards for HR IT service providers;
- Establishing a flexible capital planning and investment management process within OPM that provides transparency of IT expenditures and IT program/project performance;
- Establishing client and stakeholder engagement practices focused on measuring the cost, quality and compliance of Shared Service Center IT capabilities;
- Developing an enterprise architecture that supports the HR life cycle as documented in the HRLOB BRM;
- Establishing standards for managing OPM IT programs / projects and providing oversight to measure their performance;
- Identifying qualified and trained / certified IT customer relationship managers for each OPM business unit to ensure partnership and collaboration between the OPM CIO and the Associate Directors and Office Heads;
- Establishing service level agreements and program plans that document expectations of the CIO and business unit leaders to achieve affordable, responsive HR IT capabilities;
- Establishing a data management program that provides greater access to HR data and enables data analytics that informs policy and decisions; and
- Incorporating portfolio goals into SES performance management system.

Anticipated FY 2015 Accomplishments:

OPM will implement and continuously evaluate enabling initiatives to ensure a sustainable IT program in support of OPM's Strategic Plan. We will adopt 6 successful practices and undertake associated enabling initiatives to ensure our IT supports and aligns to OPM's Strategic Plan:

1. Through strengthened IT leadership, we will create a flexible and sustainable CIO organization and IT program that will focus on accountability, responsiveness, engagement, transparency, and innovation. IT leadership will set the expectation that OPM will take a lifecycle approach to IT (especially IT integration) and data.

2. Via a renewed and comprehensive IT governance, we will align IT planning and execution; ensure proper oversight and quality and cost control of IT services; and support strategic decision making by leadership and innovation throughout the Federal government.
3. Robust enterprise architecture (EA) will provide the fundamental process, structure, and quality to ensure our technology is aligned to meet OPM's complex, integrated business and data requirements.
4. We will adopt agile IT principles to ensure speed in adapting to evolving policies and business needs. We will design for the HR lifecycle and increased integration of IT systems and interchange of data.
5. We will inform decisions and drive policy throughout the Federal government as we properly manage data and strengthen our data analytics capabilities. We will also enable citizens to better understand Federal career opportunities and Federal agencies to better understand where the best, most diverse talent is located and what motivates them to Federal service.
6. Finally, we will improve information security to continue to protect the data, and therefore identities, of Federal employees and their beneficiaries, as well as applicants to Federal positions, just as they expect and deserve.

We will use an iterative approach to plan, implement, and assess our progress in adopting these successful practices throughout OPM. HRS has been rebuilding the Government-wide talent acquisition system using Agile Development Methods, which allow for shorter development increments and more rapid responses to customer requirements and feedback. This transformation of the USA Staffing® underlying system technologies will improve assessment capability, increase system capacity, improve usability for all user groups, and expand metrics to enable customers to make data-driven workforce decisions, all while promoting active customer engagement in the development process.

Implementation Organizations:

OD, CFO, CIO, FSC, PPA, HRS

Implementation Considerations:

OPM's Director, CIO, PPA and CFO are dedicating resources in FY 2015 to ensure the systems they operate are compliant with, or moving toward compliance with OPM's enterprise architecture and meet other external compliance standards. To assist with coordination of these efforts, contracting and budget staff within the CFO and FSC will identify and refer planned procurement actions to the CIO.

| STRATEGIC GOAL/STRATEGY | Column Labels FY 2015 CBJ Dollars | FTE |
|--|---|-------------|
| Efficient and Effective Information Systems | | |
| 4.02 | | |
| Implement enabling successful practices and initiatives that strengthen IT leadership and IT governance | \$22,697,888 | 36.8 |
| Chief Information Officer | \$2,810,200 | 16.5 |
| Information Technology Funding | \$1,976,200 | 11.0 |
| Salaries & Expenses Appropriation | \$834,000 | 5.5 |
| HR Solutions | \$17,266,797 | 11.1 |
| RF - Training Services (HRS) | \$17,266,797 | 11.1 |
| Office of the Chief Financial Officer | \$595,178 | 3.9 |
| Common Services | \$595,178 | 3.9 |
| Office of the Director | \$55,845 | 0.3 |
| Common Services | \$55,845 | 0.3 |
| Planning & Policy Analysis | \$1,969,868 | 5.0 |
| TF Limit - Annual | \$1,969,868 | 5.0 |
| OPM Total | \$22,697,888 | 36.8 |

Strategy: 4.03 Implement enterprise initiatives that leverage capabilities and tools throughout OPM

Progress Indicator Statement:

Compliance of IT services and systems.

Strategy Overview:

Implement enterprise initiatives that leverage capabilities and tools throughout OPM by:

- Consolidating platforms to enhance interoperability and reduce duplication;
- Implementing collaboration tools that will provide easy access to all data, information, and systems that individuals are authorized to access, while using the strong controls required for enhanced information security,;
- Implementing a shared case management solution that provides case tracking and reporting, and workflows;
- Implementing a single, virtual data warehouse and sharing capability that better meets business needs while reducing redundancies;
- Operating an efficient intranet and providing web services for OPM employees;
- Operating an effective secure network, data center, and desktop environment; and
- Strengthening financial controls and reporting to enable spending transparency across funding types and programs.

Anticipated FY 2015 Accomplishments:

OPM IT business and enterprise systems will be benchmarked for satisfaction, cost, and compliance using a balanced scorecard. These business systems support over 14,500 users, handle over 587 million emails, process over 2.6 million federal annuitant retirement payment transactions valued at over \$5.2B on a monthly basis, monitor and prevent over 30 million network attacks, support over 5,600 teleworkers, and process over 2.3 million personnel background investigations. Systems development will leverage shared data among its business systems.

Implementation Organizations:

OD, CFO, CIO, ES, FSC, FIS, HI, MSAC, PPA, RS

Implementation Considerations:

To achieve interoperability, take advantage of synergies across OPM and throughout the Federal Government, and best use our resources, we are instituting six enterprise-level initiatives for programs and systems throughout OPM. The enabling initiatives will help us organize to take advantage of these synergies to leverage similarities that support the business initiatives. This work to combine efforts and leverage similarities will, in turn, support the business initiatives by laying much of the groundwork for fundamental capabilities.

1. **Platform Consolidation:** We will take a “shared first” approach to our systems. Enterprise architecture, with its focus on integration and standardization, will drive platform consolidation. We will incrementally align legacy applications and systems to the new platform. Examples of activities under this initiative will include re-hosting legacy mainframe systems, increasing the use of shared service centers, and modernizing our automated suite of investigative systems known as EPIC to make it more agile, adaptable, and capable of rapid change to meet current and evolving needs. Please see OPM’s IT Strategic Plan for more information on our shared platform approach. Through platform consolidation, we will:
 - Enhance interoperability, increasing data sharing;
 - Reduce duplication, saving on licensing fees;
 - Support agile IT and modular design; and
 - Comply with the Digital Government Strategy (separating the information, platform, and presentation layers).
2. **Collaboration Tools:** On this platform we will host collaboration tools that will enable teams and other groups to share documents and perform work virtually in a secure and easy-to-use manner. These collaboration tools will:
 - Support efforts to break down silos between program offices, making data management, and therefore data analytics, easier to achieve;
 - Make work processes seamless for employees, reducing frustration and increasing productivity;
 - Enable us to better fulfill business requirements; and
 - Enable two initiatives that are under consideration, GovUniversity and GovConnect. GovUniversity would provide career maps, training curricula, courses, and other developmental resources to employees throughout the Federal Government. GovConnect would provide a Government-wide space for talent matching, project-based collaboration, and resource sharing.
3. **Business Process Management and Case Management Tools:** Many, if not most, program offices would benefit from business process management and case management tools. Currently, offices with documented processes and automated workflows have them in the form of custom engineered code. By providing these tools at the enterprise level, we will:
 - Track and report on cases, such as applications for retirement, at a more granular level than we are currently capable of doing;

- Enable offices to collaborate on workflows. For example, we will better manage our correspondence and review process, thereby improving our responsiveness;
 - Save on licensing costs;
 - Improve standardization which reduces training costs;
 - Flatten the learning curves for new employees and existing employees who move into new positions;
 - Support shorter and more agile implementation of rule changes; and
 - Surface excellent processes for reuse or emulation throughout the agency. For example, many offices have Resource Management Officers (RMOs) with different collaboration tools and business process management tools. With standard tools, they will be better able to learn from each other's processes.
4. **Data Management and Warehousing:** We will leverage economies of scale by coordinating our work on each of these data warehouses and reusing technologies and controls where possible. A strong data management and warehousing architecture will allow us to eliminate redundant data and better associate data to meet business information needs. Our architecture will include robust security controls to enable strict information security access and protections. We are responsible for several data warehouses, as identified below, and with improved data analytics capabilities, our requirements will continue to grow:
- Health Claims Data Warehouse;
 - Retirement Data Repository;
 - Electronic Individual Retirement Records; and
 - EHRI Data Warehouse.
5. **Financial Management:** Traditionally, Federal financial management systems have effectively supported budgeting. We need better cost accounting with increased data fidelity that enables us to better understand our planned and actual expenditures so we can better allocate our costs by customer and project. By taking a platform approach, we will modernize our financial systems to:
- Provide a comprehensive source of financial, budget, and performance information;
 - Improve cost control for the benefit of other agencies that use our services;
 - Manage our resources more effectively, which will help us make informed decisions about realigning resources to fund high-priority initiatives;
 - Improve support for key trust fund-related business processes, such as communicating with benefit carriers via a web portal, efficiently managing cash balances and investments to achieve the best possible returns, automating and streamlining processes, and increasing transparency in reporting;
 - Adapt more quickly to changes in Government-wide financial management requirements and mandates; and
 - By increasing our financial management capabilities, we will more accurately account for costs and better attribute efficiencies enterprise-wide to make the best possible use of

taxpayer money. We will improve the following processes for Federal retirees, payroll providers, and agencies:

- Collection of retirement, health benefits, and life insurance withholdings and contributions information from Federal payroll providers;
 - Collection of service credit deposits, voluntary contributions, direct premium remittances, and debt repayments through Pay.gov;
 - Cash management and asset allocation;
 - Payment disbursements and tracking of payment confirmations and history;
 - Financial oversight of Experience Rated Carriers (ERCs) and life insurance carriers;
 - Management of improper payments; and
 - Management of service credit deposits and voluntary contributions.
6. Electronic Recordkeeping: We will leverage our consolidated platform, robust business process management, and improved data management to automate recordkeeping and integrate electronic recordkeeping into employees' everyday workflows. We will ensure our electronic records, especially email, are captured and maintained effectively so they are usable and retrievable. We will also put in place plans to migrate records to new storage media to avoid data loss due to media decay or technological obsolescence. Electronic recordkeeping will not only ensure compliance with the Managing Government Records Directive, but also facilitate openness by making it easier to respond to Freedom of Information Act (FOIA) requests and easing the burden of the discovery phase in litigation. With seamless electronic recordkeeping, much of our work to manage our records will happen without employees' intervention and, where employees must take action, recordkeeping will occur within the flow of employees' work. This will make recordkeeping less onerous for employees and increase the likelihood of compliance. Finally, by destroying records on time (at the appropriate point in their lifecycle and according to the records schedule approved by the Archivist of the United States) and no sooner, we will save on server costs, further reduce the burden of legal discovery, and have the records we need to work efficiently and effectively.

The majority of resources budgeted to this strategy are from the CIO. CFO and PPA are dedicating resources to continue the migration of systems they manage to common platforms. RS, ES and MSAC are dedicating resources to help ensure that shared data meets their programmatic needs. The OD, CFO, FSC and the CIO will be involved in the coordination of all major procurements that are aligned with the agencies priorities and agency standards. All major OPM IT projects are budget under this strategy.

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Customer satisfaction with OPM infrastructure services* | N/A | N/A | N/A | N/A | N/A | N/A |
| Per user cost of OPM infrastructure services* | N/A | N/A | N/A | N/A | N/A | N/A |
| IT security compliance rating for OPM infrastructure services* | N/A | N/A | N/A | N/A | N/A | N/A |
| Data Warehouse Availability (percent of time application available divided by total available time per service agreement*) | N/A | N/A | 99.9% | 99.2% | 99.6% | Needs target |
| Percentage of converted hard copy official personnel folders government-wide* | N/A | N/A | 88.9% | 99.9% | 99% | Needs target |
| Number of Folders on eOPF created | 1,285,137 | 1,440,000 | 1,620,000 | 2,003,377 | 1,800,000 | Needs target |
| Number of Scorecard Agencies on eOPF | 21 | 26 | 26 | 26 | 26 | Needs target |
| eOPF Customer Satisfaction percentage | 87% | 90% | 88.4% | 90% | 91% | Needs target |
| Percent of time computer network (Network Core Infrastructure) is available during agreed-upon service hours | 99.3% | 100% | 100% | 100% | 99.8% | Needs target |
| Desktop Availability* | N/A | N/A | 100% | 100% | 100% | Needs target |
| Email Availability* | N/A | N/A | 100% | 99.9% | 100% | Needs target |
| Blackberry Availability* | N/A | N/A | 100% | 99.75% | 100% | Needs target |
| Internet Availability* | N/A | N/A | 100% | 100% | 100% | Needs target |
| Percent ISP Bandwidth Utilized (DC)* | N/A | N/A | 61% | 72% | < 53% | Needs target |
| Percent ISP Bandwidth Utilized (Macon)* | N/A | N/A | 42% | 26% | < 29% | Needs target |
| Percent of OPM employees with workstations 4 years old or newer* | N/A | N/A | 49% | 29% | 75% | Needs target |
| Percent of answered Help Desk | N/A | N/A | 89% | 89.56% | 100% | Needs |

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| calls | | | | | | target |
| Percent of Help Desk tickets closed first time* | N/A | N/A | 84% | 89.46% | 90.0% | Needs target |

* New measure N/A--no historical data available for these periods

Strategy: 4.04 Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions

Progress Indicator Statement:

Cost of IT services and systems.

Compliance of IT services and systems.

Satisfaction with IT services and systems.

Strategy Overview:

Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions by:

- Supporting integrity of background investigations through innovative technology;
- Supporting modern IT systems for retirement processing;
- Supporting IT service delivery for customer agencies;
- Supporting health and insurance initiatives; and
- Supporting current and planned business initiatives for which IT is an enabler.

Anticipated FY 2015 Accomplishments:

- Create baseline for IT business services. Track improvements in effectiveness and efficiency.
- Expand on the Retirement Case Management System being developed from resources provided by Congress in 2014 by initiating the migration of legacy retirement processing systems to a common platform shared with other OPM applications. In doing so, we hope to avoid anticipated future cost increases associated with maintaining mainframe hardware and software systems, and mitigate the difficulty in obtaining and retaining personnel with the knowledge of code written in archaic languages. This will also facilitate future incremental retirement processing improvements that take advantage of data gathered by OPM throughout the employee's lifecycle.

Implementation Organizations:

OD, CFO, CIO, ES, FSC, FIS, HI, HRS, MSAC, PPA, RS

Implementation Considerations:

Beginning FY 2015, resources planned for retirement system improvements are budgeted with the CIO. FIS aligns resources associated with improvement and maintenance of investigations systems with this strategy. PPA aligns resources devoted to development and operation of the Health Claims Data Warehouse, and ES aligns the resources devoted to operation of OPM's internal human resources systems. All OPM components can benefit from foundational elements under development such as a modern case management and workflow system.

The OD, CFO, FSC and the CIO must be involved in all IT procurements/requests by the other ADs and Office Heads. All Divisions and Offices must implement their IT projects under this goal. FIS, RS and HRS and major IT investments are all of the IT business systems in OPM, some are revolving funded as products/services, and others help OPM reach the mission without fees to agencies.

Updating and Conversion of Retirement Systems

The information technology improvements included in the budget request are based on the Retirement Services Strategic Plan and, 10-point improvement plan, and are based upon similar successful information technology initiatives in other OPM program offices (Federal Investigation Services). In addition, we are working closely with major commercial providers of information technology services that support agencies' retirement application processing to ensure that Retirement Services information technology systems are compatible and consistent with current technology.

This includes a variety of system activities focused on making changes to our existing retirement systems. Updates mandated by law or regulation include:

- Conversion of all retirement payments to Electronic Fund Transfers;
- Update annuity calculators to factor increased retirement contributions for certain Federal Employees Retirement System-Revised Annuity Employees (FERS-RAE) employees;
- Update annuity calculators to increase phased credit for unused Sick Leave Federal Employees Retirement System (FERS);
- Update annuity calculators for voluntary Roth contributions;
- System change request to support business owner's changes in processes and procedures; and
- Numerous updates to existing calculators or support systems are needed to automate complex business rules, currently applied manually as "work around" by processing specialists.

The result will be improvements in processing time, increased automation in current and future business practices, and enhanced ability to accept and process data received from agencies in an electronic format. The mainframe hardware and software systems OPM currently uses for retirement processes are expensive to maintain. OPM anticipates cost increases at magnitudes of 10 percent -15 percent annually, as personnel with necessary Adabas/Natural coding skill retire and cannot easily be replaced. Because other OPM programs are already transitioning away from mainframe environments, escalating future costs would need to be taken from discretionary sources – reducing flexibility for other program areas. To avoid these challenges, OPM will outline a technology strategic plan which will determine the next generation of hardware and software for the retirement systems. The funding requested would enable OPM to take action on the improvement plan. Over the long-term, this investment will enable the Retirement Services to accomplish the following objectives:

- Eliminate the claims backlogs and decrease paper usage by 25 percent;
- Improve claims adjudication processes by 15 percent;
- Reduce Retirement error rate to less than 3 percent;
- Increase the percent of customer satisfaction by 10 percent;

- Reduce call center calls by 20 percent;
- Reduce mass mailing by 30 percent;
- Reduce printing cost by 50 percent (based on 1099 and booklets being on line);
- Create digital retirement submission and enable the secure electronic internet-based filing of retirement applications;
- Create self-services retirement application processes; and
- Automate Retirement business processes of administrative paper handling to reduce associated costs, establish a simplified shared infrastructure that reduced the costs of Retirement Services information technology operation and maintenance by leveraging state of the art technologies.

Maintenance and Continued Expansion of Data Viewer

The Data Viewer is a web based application in the Enterprise Human Resources Integration (EHRI) retirement data repository environment. The Data Viewer enhances productivity and reduces errors by aggregating information from multiple systems and enabling users to see retirement related data submitted via data feeds and imaged documents based on their defined roles and responsibilities in the system. Retirement Services employees use it to review test submissions from providers as a part of the technical compliance process, view scanned documents and access data in other systems through a single interface while adjudicating a retirement case file. Several agencies participated in a pilot to use the Data Viewer in FY 2013 to view scanned retirement documents used for pre-retirement counseling, to review files during the technical compliance process and to review errors and discrepancies in their submissions that need to be addressed.

Currently 11 agencies (over 120 users) are in production and they have viewed over 33,000 documents to help make the retirement case packet more complete and accurate. The requested resources will allow OPM to complete deployment of the Data Viewer to all agencies by providing for a help desk and user access management function. Based upon results we have seen to date, continued investment in the Data Viewer will result in a significant drop in incompleteness of the retirement case or inaccurate dates within the case files from these agencies. These results translate to better service for retirees and more efficient use of staff time at OPM and participating agencies.

Services Online for Retirement

Services Online is a web-based application that allows retirees to view their individual information, make changes and update their information. Effectively, it is the equivalent of Employee Express for retirees. Services Online has empowered the individual retiree to have retirement services on demand. Currently, Services Online averages over 25,000 visitors per week, and over 700,000 page views. There were over 3.2 million transactions processed in Services Online during FY 2012. The requested resources will permit OPM to expand the capabilities of services online to include the ability to receive information electronically (paperless), transmit alert notices of changes/updated information, permit opt in/out of paperless tax forms, and generate Verification of Life Insurance statements. As the capabilities of Services Online are expanded, acceptance of online self-servicing will increase among the annuity roll.

The results of this investment within services online will be reduced use of the call center; a lessening of improper payments, due to increased accuracy of the individual retirees file; and ensuring proper taxes are being collected based upon the individuals updating of information and status.

Increased Paper Records Imaging Capacity

Digitizing existing paper-based retirement records has immediate benefits to new retirees, and provides long-term benefits to OPM's goal of significantly automating the retirement process. The first benefit to new retirees could come before they retire as their employing agency can utilize OPM's Data Viewer to review the retirement-related records of a prospective retiree, thereby enabling them to better counsel the retiree, and ensure a complete, accurate retirement application package. This in turn enables OPM to process the retirement claim without waiting for clarification or additional information. Furthermore, it enhances the customer service experience of the retiree if they need to contact us, because the Customer Service Specialist assisting them can see the retiree's supporting record. Long-term, imaging retirement records facilitates eventual automation of the retirement process. Retirement is currently utilizing Federal Investigative Services imaging equipment during off hours to image incoming paper records with a staff of 34. This request will enable OPM to increase the size of imaging staff by 15 imaging technicians and 4 quality review technicians and purchase additional applications licenses. This in turn will allow Retirement, in approximately 2-3 years, to image all of the historical non-case records in the FERS Open File and continue to image the historical non-case records of CSRS applicants at the time the of retirement. Without additional staffing and licenses, it will take approximately 8 years to accomplish the same.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ D ollars | FTE |
|---|-------------------------|--------------|
| Efficient and Effective Information Systems | | |
| 4.04 | | |
| Implement business initiatives that provide capabilities spanning the HR life cycle, allowing OPM and other federal agencies to achieve their missions | \$207,136,884 | 176.6 |
| Chief Information Officer | \$96,886,808 | 171.6 |
| RF - USAJOBS | \$11,487,544 | 17.0 |
| RF Employment Services (HRTT) | \$33,285,228 | 98.0 |
| RF Enterprise Human Resources Integration | \$37,001,036 | 13.6 |
| Salaries & Expenses Appropriation | \$5,122,000 | 0.0 |
| TF Limit - Annual | \$7,438,000 | 40.0 |
| Trust Fund-Title V | \$2,553,000 | 3.0 |
| Employee Services | \$1,321,224 | 0.0 |
| Common Services | \$1,036,130 | 0.0 |
| Salaries & Expenses Appropriation | \$285,094 | 0.0 |
| Federal Investigative Services | \$105,713,475 | 0.0 |
| RF Investigative Services | \$105,713,475 | 0.0 |
| Healthcare & Insurance | \$3,215,377 | 5.0 |
| Salaries & Expenses Appropriation | \$1,789,855 | 2.0 |
| TF Limit - Annual | \$1,425,522 | 3.0 |
| OPM Total | \$207,136,884 | 176.6 |

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Aggregate customer satisfaction rating with OPM IT business systems | N/A | N/A | N/A | N/A | N/A | N/A |
| Percent of HR lifecycle examined for automation opportunities | N/A | N/A | N/A | N/A | N/A | N/A |
| IT security compliance rating for OPM business systems | N/A | N/A | N/A | N/A | N/A | N/A |
| IT cost per hiring action | N/A | N/A | N/A | N/A | N/A | N/A |

* New measure N/A--no historical data available for these periods

Strategic Goal: 5 Transparent and Responsive Budgets

Strategic Goal Statement:

Establish responsive, transparent budgeting and costing processes.

The uncertain budget environment imposes an imperative on all agency officials to better manage financial resources and to better position the agency to meet strategic priorities. While agency budgets have been allocated to agency strategies, tracking of expenditures and allocation of resources has been aligned to program areas and object classes. Aligning budget setting and expenditure tracking to agency strategies will ensure a continuous focus on achievement of the agency's strategic goals. Other tools, such as activity-based costing and common services allocation methodology, will provide clarity to senior managers as they collectively target resources toward achievement of the agency's strategic goals. In the end, the process must enable the Director and senior officials to prioritize and adjust resources to align with current and future priorities.

In FY 2015 OPM will refine and formalize processes to ensure that our budget is transparent to stakeholders, appropriately aligned to support strategic goals and efficiently and effectively utilized. In 2014, OPM implemented a new four year Strategic Plan that will guide the agency's efforts to recruit, retain, and honor a world class workforce and continue to be a model for the 21st Century. To support OPM with achieving this mission, agency leadership created this management goal to ensure resources are aligned with each agency goal strategy. Along with this, OPM is restructuring its current accounting code structure adding criteria that supports tracking expenses against goal strategies. In doing so, the agency is setting the foundation for responsive and transparent budget and costing processes.

Our approach will be to employ techniques and processes that help to provide better governance and accountability of our resources. Strategic Goal 5 lays out a three-tiered strategy to improve how we allocate resources and track expenditures, make corporate decisions in regards to funding mandatory priorities, and communicate and engage stakeholders in executing a corporate budget and spending approach. Specifically, we will:

- Apply techniques such as periodic budget re-baselining to help us determine if our priorities, resources, and activities are properly aligned;
- Formalize a corporate approach to identify our priorities and determine resource allocation; and
- Inform and educate stakeholders on new budget processes.

To achieve success, we will solicit help and support from all OPM organizations. OPM's diverse business requirements and funding structure will require expertise from program offices, managers, and analysts that have responsibility for a strategic goal area. We will depend on this involvement to ensure we are in compliance with all mandatory and statutory authorities and administration priorities. A great level of support from OPM senior leadership will provide direction, focus and accountability.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|-------------|
| Transparent and Responsive Budgets | | |
| 5.01 | | |
| Implement off-cycle cost re-baselining | \$8,471,673 | 25.8 |
| Employee Services | \$298,301 | 1.5 |
| Salaries & Expenses Appropriation | \$298,301 | 1.5 |
| Facilities, Security & Contracting | \$41,265 | 0.3 |
| Common Services | \$41,265 | 0.3 |
| Federal Investigative Services | \$250,000 | 2.0 |
| RF Investigative Services | \$250,000 | 2.0 |
| HR Solutions | \$3,139,281 | 4.0 |
| RF - Training Services (HRS) | \$3,139,281 | 4.0 |
| Office of the Chief Financial Officer | \$3,522,517 | 9.0 |
| Common Services | \$3,522,517 | 9.0 |
| Retirement Services | \$750,000 | 6.0 |
| TF Limit - Annual | \$750,000 | 6.0 |
| Merit System Accountability & Compliance | \$241,094 | 1.5 |
| Common Services | \$27,500 | 0.2 |
| Salaries & Expenses Appropriation | \$213,594 | 1.4 |
| Healthcare & Insurance | \$56,592 | 0.5 |
| Salaries & Expenses Appropriation | \$14,148 | 0.2 |
| TF Limit - Annual | \$14,148 | 0.2 |
| Trust Fund Title V - Long Term Care | \$28,296 | 0.1 |
| Executive Secretariat | \$172,623 | 1.0 |
| Common Services | \$172,623 | 1.0 |
| 5.02 | | |
| Institutionalize corporate prioritization | \$3,990,052 | 24.9 |
| Chief Information Officer | \$322,676 | 1.5 |
| Information Technology Funding | \$322,676 | 1.5 |
| Employee Services | \$298,301 | 1.5 |
| Salaries & Expenses Appropriation | \$298,301 | 1.5 |
| Facilities, Security & Contracting | \$122,158 | 0.8 |
| Common Services | \$122,158 | 0.8 |
| HR Solutions | \$1,183,840 | 7.8 |
| RF - Training Services (HRS) | \$1,183,840 | 7.8 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|--------------------------------|-------------|
| Office of the Chief Financial Officer | \$1,667,987 | 10.8 |
| Common Services | \$1,667,987 | 10.8 |
| Retirement Services | \$125,000 | 1.0 |
| TF Limit - Annual | \$125,000 | 1.0 |
| Merit System Accountability & Compliance | \$130,000 | 0.5 |
| Common Services | \$32,500 | 0.2 |
| Salaries & Expenses Appropriation | \$97,500 | 0.4 |
| Healthcare & Insurance | \$56,592 | 0.5 |
| Salaries & Expenses Appropriation | \$14,148 | 0.2 |
| TF Limit - Annual | \$14,148 | 0.2 |
| Trust Fund Title V - Long Term Care | \$28,296 | 0.1 |
| Executive Secretariat | \$83,498 | 0.5 |
| Common Services | \$83,498 | 0.5 |
| 5.03 | | |
| Widely inform key stakeholders on new agency budget process | \$446,814 | 3.0 |
| HR Solutions | \$110,741 | 0.7 |
| RF - Training Services (HRS) | \$110,741 | 0.7 |
| Office of the Chief Financial Officer | \$160,109 | 1.0 |
| Common Services | \$160,109 | 1.0 |
| Retirement Services | \$125,000 | 1.0 |
| TF Limit - Annual | \$125,000 | 1.0 |
| Executive Secretariat | \$50,964 | 0.3 |
| Common Services | \$50,964 | 0.3 |
| OPM Total | \$12,908,539 | 53.7 |

Strategy: 5.01 Implement Cost Re-baselining

Progress Indicator Statement:

Achieve cost recovery in the Revolving Fund over a reasonable period of time.

Increase in organizations adherence to operation plan:

- **Available resources used (adherence to operation plan) for mandatory component.**
- **Available resources used (adherence to operation plan) for discretionary component.**

Strategy Overview:

Implement off-cycle cost re-baselining by:

- Issuing re-baselining “how-to” guidance;
- Determining activities and cost; and
- Building up budget (cost) for mandatory functions.

Anticipated FY 2015 Accomplishments:

A transparent budget and costing process that:

- Aligns resources to mandatory and agency priorities;
- Supports pricing models for reimbursable programs; and
- Provides better analytics and reporting of actual spending against strategic goals and strategies.

Implementation Organizations:

All OPM Program offices (except OIG)

Implementation Considerations:

Achievement of this goal will depend on support from all OPM program offices. Results will be impacted by their due diligence and thorough review, analysis and reporting of information. Also having an operational financial system and accounting code structure (which includes, strategy criteria) will be critical to the goals success.

The CFO, all OPM leaders, program offices, and budget and financial management staff will support this strategy by evaluating FY 2015 activities and aligning budget resources to support agency priorities. Program offices will provide staff resources to complete re-baselining activities using a standard approach developed by the CFO. Program offices (specifically, Federal Investigative Services and Human Resource Solutions) will also re-examine FY 2015 pricing models and realign resources as appropriate to ensure competitive pricing and relevant offerings to meet the immediate and future needs of Federal customers. The results of the re-baselining exercise will be presented by CFO to agency leaders and will inform FY 2015 operating plans and budget execution. Various program contingencies and constraints

may affect the achievement of activities, accomplishments, and milestones planned for Strategy 5.01. These factors are specifically, identified below.

- FTE needed to complete re-baselining efforts;
- Established approach and process for re-baselining exercise;
- Development of skills needed to complete re-baselining exercise;
- Completion of revised accounting code structure to align resources by strategy;
- Ability to react to unfunded mandates; and
- Federal customer budget impacts to revolving fund programs.

| STRATEGIC GOAL/STRATEGY | Dollars | FTE |
|---|--------------------|-------------|
| Transparent and Responsive Budgets | | |
| 5.01 | | |
| Implement off-cycle cost re-baselining | \$8,471,673 | 25.8 |
| Employee Services | \$298,301 | 1.5 |
| Salaries & Expenses Appropriation | \$298,301 | 1.5 |
| Facilities, Security & Contracting | \$41,265 | 0.3 |
| Common Services | \$41,265 | 0.3 |
| Federal Investigative Services | \$250,000 | 2.0 |
| RF Investigative Services | \$250,000 | 2.0 |
| HR Solutions | \$3,139,281 | 4.0 |
| RF - Training Services (HRS) | \$3,139,281 | 4.0 |
| Office of the Chief Financial Officer | \$3,522,517 | 9.0 |
| Common Services | \$3,522,517 | 9.0 |
| Retirement Services | \$750,000 | 6.0 |
| TF Limit - Annual | \$750,000 | 6.0 |
| Merit System Accountability & Compliance | \$241,094 | 1.5 |
| Common Services | \$27,500 | 0.2 |
| Salaries & Expenses Appropriation | \$213,594 | 1.4 |
| Healthcare & Insurance | \$56,592 | 0.5 |
| Salaries & Expenses Appropriation | \$14,148 | 0.2 |
| TF Limit - Annual | \$14,148 | 0.2 |
| Trust Fund Title V - Long Term Care | \$28,296 | 0.1 |
| Executive Secretariat | \$172,623 | 1.0 |
| Common Services | \$172,623 | 1.0 |
| OPM Total | \$8,471,673 | 25.8 |

Strategy: 5.02 Institutionalize Corporate Prioritization

Progress Indicator Statement:

Agency budget and spending are aligned to strategic goals.

Strategy Overview:

Institutionalize corporate prioritization by:

- Defining roles of Associate Directors, Office Heads, and the Director in the prioritization process;
- Informing senior leadership on the prioritization process and its associated criteria drivers;
- Aligning and tracking the agency's budget and expenditures to strategic goals;
- Prioritizing discretionary activities and advising senior leadership of prioritization recommendations; and
- Aligning, tracking and reporting the agency's budget by strategic goal for all funds quarterly.

Anticipated FY 2015 Accomplishments:

Corporate prioritization that

- Informs strategic decision making;
- Improves leadership accountability of resource allocation; and
- Identifies available spending and makes better use of resources.

Implementation Organizations:

All OPM Program offices (except OIG)

Implementation Considerations:

Achievement of this goal will depend on support from all OPM program offices. Results will be impacted by their due diligence and thorough review, analysis and reporting of information. Also having an operational financial system and accounting code structure (which includes, strategy criteria) will be critical to the goals success.

The CFO Office, all OPM leaders, program offices, and budget and financial management staff will directly support this strategy. Program Office managers and financial management staff will participate by identifying resources and FTE needed to support Agency strategic goals and strategies. Using the Lean Six Sigma technique, leaders will identify priorities and make recommendations to the OPM Director. Agency leaders will make decisions through a corporate prioritization process.

Throughout the fiscal year, quarterly performance point reviews will be conducted by strategic goal, to monitor progress, align resources to identify priorities, and to address under-funded priorities. The CFO Office will ensure timely reporting of information such as actual spending against strategic goal and

available balances to aide in the decision making process. Contingencies and constraints that may impact the success of Strategy 5.02 include:

- Corporate buy-in;
- Unplanned mandates that impact current priorities; and
- Ability to provide timely reporting of information and metrics.

| OPM Budget Authority | FY 2015 CBJ | |
|---|--------------------|-------------|
| | Dollars | FTE |
| Transparent and Responsive Budgets | | |
| 5.02 | | |
| Institutionalize corporate prioritization | \$3,990,052 | 24.9 |
| Chief Information Officer | \$322,676 | 1.5 |
| Information Technology Funding | \$322,676 | 1.5 |
| Employee Services | \$298,301 | 1.5 |
| Salaries & Expenses Appropriation | \$298,301 | 1.5 |
| Executive Secretariat & Ombudsman | \$83,498 | 0.5 |
| Common Services | \$83,498 | 0.5 |
| Facilities, Security & Contracting | \$122,158 | 0.8 |
| Common Services | \$122,158 | 0.8 |
| HR Solutions | \$1,183,840 | 7.8 |
| RF - Training Services (HRS) | \$1,183,840 | 7.8 |
| Office of the Chief Financial Officer | \$1,667,987 | 10.8 |
| Common Services | \$1,667,987 | 10.8 |
| Retirement Services | \$125,000 | 1.0 |
| TF Limit - Annual | \$125,000 | 1.0 |
| Merit System Accountability & Compliance | \$130,000 | 0.5 |
| Common Services | \$32,500 | 0.2 |
| Salaries & Expenses Appropriation | \$97,500 | 0.4 |
| Healthcare & Insurance | \$56,592 | 0.5 |
| Salaries & Expenses Appropriation | \$14,148 | 0.2 |
| TF Limit - Annual | \$14,148 | 0.2 |
| Trust Fund Title V - Long Term Care | \$28,296 | 0.1 |
| OPM Total | \$3,990,052 | 24.9 |

Strategy: 5.03 Widely inform key stakeholders on new agency budget process

Progress Indicator Statement:

Program managers and resource management officers are trained on the new budget process.

Strategy Overview:

- Developing a statement of policy to institutionalize the process;
- Developing a document to explain the new budget process (including common services); and
- Training program managers and resource management officers on budget process and program responsibilities.

Anticipated FY 2015 Accomplishments:

Well informed stakeholders who:

- Contribute to enhancing budget transparency; and
- Have tools and guidance for formulating and executing good budgets.

Implementation Organizations:

All OPM program offices (except OIG)

Implementation Considerations:

Achievement of this goal will depend on support from all OPM program offices. Results will be impacted by their due diligence and thorough review, analysis and reporting of information.

Also having an operational financial system and accounting code structure (which includes, strategy criteria) will be critical to the goals success.

The success of Goal MG5 will depend on a unified commitment from all OPM leaders, managers, and budget and financial analysts to ensure budget transparency and accountability to achieve Agency strategic goals. The CFO Office assist by developing tools and process to educate and inform all stakeholders on the new budget process and governance structure; clarifying roles and responsibilities, business process changes, performance indicators, and accountability measures. Key program office staff having a role in formulating and/or executing budgetary resources will complete training and participate in information sessions to build understanding of OPM's corporate approach use of agency resources and to build knowledge in re-base lining techniques. Contingencies and constraints that will ensure the success of Strategy 5.03 include:

- Having an established governance structure;
- Identifying appropriate stakeholders that contribute to enhancing budget transparency; and
- Development of training and knowledge enhancement tools for building skill sets and executing a corporate funding approach.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|--------------------------------|------------|
| Transparent and Responsive Budgets | | |
| 5.03 | | |
| Widely inform key stakeholders on new agency budget process | \$446,814 | 3.0 |
| HR Solutions | \$110,741 | 0.7 |
| RF - Training Services (HRS) | \$110,741 | 0.7 |
| Office of the Chief Financial Officer | \$160,109 | 1.0 |
| Common Services | \$160,109 | 1.0 |
| Retirement Services | \$125,000 | 1.0 |
| TF Limit - Annual | \$125,000 | 1.0 |
| Executive Secretariat | \$50,964 | 0.3 |
| Common Services | \$50,964 | 0.3 |
| OPM Total | \$446,814 | 3.0 |

Strategic Goal: 6 Engaged Federal Workforce

Strategic Goal Statement:

Provide leadership in helping agencies create inclusive work environments where a diverse federal workforce is fully engaged and energized to put forth its best effort, achieve their agency's mission, and remain committed to public service.

To foster a heightened connection between employees and their work and their organization, Federal agencies and managers must ensure employees find personal meaning in their work, take pride in their work and their organization, and believe they are valued contributors. Engaged employees are passionate and dedicated to their job and organization. They feel a special bond with their agency and put forth the extra effort needed to improve their own performance and agency results. Employee engagement has been linked to important outcomes, including agency performance, sick leave usage, EEO complaints, and turnover. Engaged employees are less likely to leave their agency, while those who are unengaged will likely start to look for opportunities elsewhere.

Key drivers of employee engagement are communication, employee involvement, opportunities for development, and recognition. Strong leadership and supervision also are critical to ensuring an engaged workforce as they have a great deal of influence over the factors that drive engagement.

To support and evaluate engagement of Federal employees, OPM will implement four strategies to address this Goal. OPM has researched the drivers, components and outcomes of engagement as the groundwork to lay a foundation by providing leadership for the Federal Government in this regard. Recognizing the critical role of leaders and the importance of having tangible actions and measures, OPM has identified targeted strategies and plans that will 1) provide leadership training to increase employee engagement; 2) support agencies in hiring leaders strong in managing and leading high performing organizations; 3) provide a comprehensive suite of engagement service and models for agencies and employees; and 4) ensure agencies target, address, and measure key drivers of employee engagement.

Accomplishment of these strategies provides positive outcomes to individuals as well as agencies Government-wide. Because engagement has been linked to performance, attendance, EEO complaints and retention, leadership in addressing engagement will lead to employee and agency effectiveness. Therefore, as part of these efforts, OPM will use existing and new measures to evaluate the implementation of engagement processes and related outcomes. FY 2015 will be a critical period for OPM to move forward on these efforts.

OPM's Employee Services (ES), Human Resources Solutions (HRS), Office of Diversity and Inclusion (ODI), Planning and Policy Analysis (PPA) and Merit System Accountability and Compliance (MSAC) will directly support this strategy to ensure agencies target, address and measure key drivers of employee engagement. ES will provide policy direction and leadership in designing, developing and promulgating Government-wide systems and programs; HRS will offer standardized as well as customized products and services to agencies on a reimbursable basis; ODI will provide leadership and efforts focused on

developing, driving and monitoring strategies and initiatives designed to create a more diverse and inclusive Federal workforce; PPA will develop and provide metrics and analysis, and MSAC will monitor and assess agency participation and training effectiveness.

Various program contingencies and constraints may affect the achievement of the strategies, accomplishments and milestones planned for Strategies associate with Goal 6. The primary recurring factors are the availability of funding within OPM and other agencies, as well as the active participation of other agencies.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|-------------|
| Engaged Federal Workforce | | |
| 6.01 | | |
| Design and deliver leadership training to increase employee engagement | \$87,499,387 | 97.1 |
| Chief Human Capital Officer Council | \$85,224 | 0.5 |
| Advances & Reimbursements To S&E | \$85,224 | 0.5 |
| Employee Services | \$1,509,053 | 10.8 |
| Salaries & Expenses Appropriation | \$1,509,053 | 10.8 |
| HR Solutions | \$85,587,025 | 84.1 |
| RF - Training Services (HRS) | \$85,587,025 | 84.1 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Merit System Accountability & Compliance | \$191,991 | 1.0 |
| Salaries & Expenses Appropriation | \$191,991 | 1.0 |
| 6.02 | | |
| Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$6,839,085 | 32.5 |
| Chief Human Capital Officer Council | \$84,224 | 0.5 |
| Advances & Reimbursements To S&E | \$84,224 | 0.5 |
| Employee Services | \$3,271,726 | 11.3 |
| Salaries & Expenses Appropriation | \$689,202 | 4.8 |
| RF Presidential Management Fellows (PMF) | \$2,582,524 | 6.5 |
| HR Solutions | \$3,257,397 | 19.6 |
| RF - Training Services (HRS) | \$3,257,397 | 19.6 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Office of the Director | \$99,644 | 0.4 |
| Common Services | \$99,644 | 0.4 |
| 6.03 | | |
| Provide a comprehensive suite of engagement services and models for agencies and employees | \$14,510,844 | 43.2 |
| Chief Human Capital Officer Council | \$84,224 | 0.5 |
| Advances & Reimbursements To S&E | \$84,224 | 0.5 |
| Employee Services | \$812,342 | 5.5 |
| Salaries & Expenses Appropriation | \$812,342 | 5.5 |
| HR Solutions | \$13,331,597 | 35.6 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|--------------------------------|--------------|
| RF - Training Services (HRS) | \$13,331,597 | 35.6 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Office of the Director | \$62,256 | 0.3 |
| Common Services | \$62,256 | 0.3 |
| Planning & Policy Analysis | \$94,331 | 0.6 |
| Salaries & Expenses Appropriation | \$94,331 | 0.6 |
| 6.04 | | |
| Ensure agencies target, address, and measure key drivers of employee engagement | \$15,825,945 | 30.7 |
| Chief Human Capital Officer Council | \$84,224 | 0.5 |
| Advances & Reimbursements To S&E | \$84,224 | 0.5 |
| Employee Services | \$812,342 | 5.5 |
| Salaries & Expenses Appropriation | \$812,342 | 5.5 |
| HR Solutions | \$10,618,437 | 21.7 |
| RF - Training Services (HRS) | \$10,618,437 | 21.7 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Office of the Director | \$61,256 | 0.3 |
| Common Services | \$61,256 | 0.3 |
| Planning & Policy Analysis | \$3,937,218 | 1.0 |
| Salaries & Expenses Appropriation | \$3,937,218 | 1.0 |
| Merit System Accountability & Compliance | \$186,374 | 1.0 |
| Salaries & Expenses Appropriation | \$186,374 | 1.0 |
| OPM Total | \$124,675,261 | 203.5 |

Strategy: 6.01 Design and deliver leadership training to increase employee engagement

Progress Indicator Statement:

Increase in the number of CHCO agencies that increased employee engagement scores as measured by FEVS results.

Increase in the number of CHCO agencies that improved employee engagement related Human Capital metrics.

Through this learning, managers and supervisors will create more inclusive and engaged workforces, as reflected in increased FEVS scores within diverse demographics.

Monitoring of both (1) the participation rates of agencies' supervisors and managers in training designed to improve employee engagement and (2) the effectiveness of the training provided.

Strategy Overview:

Design and deliver leadership training to increase employee engagement by:

- Promoting, developing and providing supervisor and manager training and professional development as a critical element of organizational performance;
- Evaluating Executive Core Qualifications (ECQs) framework to ensure the underlying competencies drive performance and foster employee engagement for 21st century work;
- Offering programs to help Federal leaders improve employee engagement through OPM's leadership development offerings;
- Partnering with agencies to develop common solutions to meet the various components in the Supervisory Training Framework released December 2012, and Managerial Training Framework; and
- Holding agencies accountable for ensuring supervisors and managers participate in training designed to improve employee engagement and to meet training requirements outlined in 5 CFR412.

Recently, increased attention has been placed on the importance of leaders in the culture and management of organizations. Additionally, engagement has been identified as a concept that is related to important organizational processes and outcomes. Therefore, leaders should be informed and prepared to recognize and implement methods to create work environments that increase employee engagement. Leaders need the knowledge and tools to perform in this capacity.

OPM has extensive experience in developing and delivering training, including leader training at all levels. This strategy will be a precursor to the outcome of increased employee engagement as measured through both direct and indirect measures, using existing and new measurement tools.

Anticipated FY 2015 Accomplishments:

OPM will achieve the following outcomes to support leader training regarding engagement:

- Provide leadership development training and professional development solutions that will increase employee engagement;
- Promulgate improved onboarding of senior executives, including emphasis on employee engagement;
- Increase OPM training delivery including the New IQ (inclusion quotient) to managers and supervisors to achieve more inclusive and engaged workforces, as reflected in increased FEVS scores;
- Deliver professional leadership development via eLearning options that will provide Emerging, Established and Executive leaders the required skills for supporting employee engagement;
- Deliver a series of SES-level professional leadership development courses/programs that will provide continuous learning and networking opportunities for senior leaders that are designed to encourage executive leadership engagement with their workforces and to lead to the creation of workplace environments that promote engagement opportunities for all workers;
- Provide access to common/shared training and resources that support improved employee engagement via the HR University platform; and
- Continue to hold agencies accountable, through OPM's HR Oversight Program, for meeting training requirements outlined in 5 CFR 412.

Implementation Program Organizations:

Chief Human Capital Officers Council, Employee Services, Human Resources Solutions, Office of Diversity and Inclusion, and Merit System Accountability & Compliance

Implementation Considerations:

OPM's Chief Human Capital Officers Council (CHCOC), Employee Services (ES), Human Resources Solutions (HRS), Office of Diversity and Inclusion (ODI), Merit System Accountability & Compliance (MSAC) will directly support this strategy to design and deliver leadership training to increase employee engagement. ES will provide policy direction and leadership in designing, developing and promulgating Government-wide systems and programs; HRS will provide training, workshops, and courses on HR University for succession planning, supervisory/executive assessment, the Quality Review Board (QRB) review process, and supervisory/executive selection; ODI will provide leadership and efforts focused on developing, driving and monitoring strategies and initiatives designed to create a more diverse and inclusive Federal workforce; and MSAC will monitor and assess agency participation and training effectiveness.

HRLOB will develop a new certification process that will ensure that the shared services offerings from OPM and other shared service providers help agencies develop and maintain common delivery solutions for supervisory development and training. Specifically, the new HRLOB shared service certification process will require formal consultation with both policy owners and oversight programs including ES in

the development of shared service delivery standards and scorecards. Certified programs will be required to demonstrate specific capabilities in alignment with OPM priorities. In addition, in order to ensure that misalignment with OPM policy can be identified, certification will require providers to demonstrate the ability to produce those data elements integral to accountability processes.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|-------------|
| Engaged Federal Workforce | | |
| 6.01 | | |
| Design and deliver leadership training to increase employee engagement | \$87,499,387 | 97.1 |
| Chief Human Capital Officer Council | \$85,224 | 0.5 |
| Advances & Reimbursements To S&E | \$85,224 | 0.5 |
| Employee Services | \$1,509,053 | 10.8 |
| Salaries & Expenses Appropriation | \$1,509,053 | 10.8 |
| HR Solutions | \$85,587,025 | 84.1 |
| RF - Training Services (HRS) | \$85,587,025 | 84.1 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Merit System Accountability & Compliance | \$191,991 | 1.0 |
| Salaries & Expenses Appropriation | \$191,991 | 1.0 |
| OPM Total | \$87,499,387 | 97.1 |

Strategy: 6.02 Support agencies in hiring leaders strong in managing and leading high performing organizations

Progress Indicator Statement

Increase in the number of CHCO agencies that increased employee engagement scores as measured by FEVS results.

Increase in the percentage of hiring actions across the Federal Government where managers utilize applicant flow data delivered by OPM business intelligence tools.

Strategy Overview:

Support agencies in hiring leaders strong in managing and leading high performing organizations by:

- Promoting rigorous, competency-based selection for supervisors, managers, and executives that targets the unique talents it takes to effectively manage people and build and retain an engaged workforce;
- Evaluating Executive Core Qualifications (ECQs) framework to ensure the underlying competencies drive performance and foster employee engagement for 21st century work;
- Partnering with agencies to develop common solutions for succession management and hiring supervisors, managers, and executives that are valid and cost effective; and
- Offering a line of exclusive assessments for Government leaders and leverage existing assessments to bridge the best of the private sector with OPM's own internal capacity.

This strategy aims to address a primary factor in having good agency leaders--identifying and selecting those who are strong in managing and leading high performing organizations. The initiative associated with this strategy will help agencies build a cadre of supervisors, managers, and executives with the knowledge, skills and experience to effectively lead in ways that are related to engagement and performance. For the Federal Government to be competitive and effective, having the right talent is critical.

In conjunction with Strategy 6.01 on leader training, OPM seeks to provide an extensive set of initiatives related to Federal leaders and employee engagement. OPM will play a leadership role in promoting good practices, sharing information, and developing efficient processes. In addition, OPM has responsibility for providing support for specific hiring functions (such as SES hiring). These activities will support agencies in identifying, assessing, and retaining effective leaders.

Anticipated FY 2015 Accomplishments:

OPM will achieve the following outcome to support hiring of leaders strong in managing and leading high performing organizations:

- Identify new opportunities and partnerships to support Federal agencies with leadership assessments and succession planning activities.

Implementation Program Organizations:

Chief Human Capital Officers Council (CHCOC), Employee Services (ES), Human Resources Solutions (HRS), Office of Diversity and Inclusion (ODI), and Office of the Director (OD)

Implementation Considerations:

OPM's CHCOC, ES, HRS, ODI, and OD will directly support this strategy to support agencies in hiring leaders who are strong in managing and leading high performing organizations. ES will provide policy direction and leadership in designing, developing and promulgating Government-wide systems and programs; HRS will offer standardized as well as customized HRS will offer standardized as well as customized leadership assessment and succession planning products and services to agencies on a reimbursable basis; and ODI will provide leadership and efforts focused on developing, driving and monitoring strategies and initiatives designed to create a more diverse and inclusive Federal workforce. Various program contingencies and constraints may affect the achievement of the strategies, accomplishments and milestones planned for Strategy 6.02. These factors are identified below.

- OPM's offering of free sessions to be provided through the Federal Executive Boards (FEBs);
- Local agencies' sharing of job opportunity announcements with the FEBs; and
- Competition from private sector providers that deliver offerings similar to ours
- Disconnected and disparate systems currently being used across the Federal Government may make it overly ambitious to achieve a certified performance management system by FY 2015.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|-------------|
| Engaged Federal Workforce | | |
| 6.02 | | |
| Support agencies in hiring leaders strong in managing and leading high-performing organizations | \$6,839,085 | 32.5 |
| Chief Human Capital Officer Council | \$84,224 | 0.5 |
| Advances & Reimbursements To S&E | \$84,224 | 0.5 |
| Employee Services | \$3,271,726 | 11.3 |
| Salaries & Expenses Appropriation | \$689,202 | 4.8 |
| RF Presidential Management Fellows (PMF) | \$2,582,524 | 6.5 |
| HR Solutions | \$3,257,397 | 19.6 |
| RF - Training Services (HRS) | \$3,257,397 | 19.6 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Office of the Director | \$99,644 | 0.4 |
| Common Services | \$99,644 | 0.4 |
| OPM Total | \$6,839,085 | 32.5 |

Strategy: 6.03 Provide a comprehensive suite of engagement services and models for agencies and employees

Progress Indicator Statement:

Increase in CHCO satisfaction with availability and effectiveness of OPM's tools, products, and services on employee engagement.

Increase in the percentage of Federal employees and managers who report satisfaction in the area of diversity and inclusion.

Increase in the percentage of hiring actions across the Federal Government where managers utilize applicant flow data delivered by OPM business intelligence tools.

Strategy Overview:

Provide a comprehensive suite of engagement services and models for agencies and employees by:

- Designing, providing, and promoting employee engagement tools, products, and services accessible to agencies and employees; and
- Partnering with agencies to promote and share promising practices and metrics on employee engagement.

Relevant information and tools are needed to provide the Federal workforce with the ability to increase engagement. Strategies 6.01 and 6.02 are focused specifically on training and hiring leaders, and this Strategy encompasses a broad set of initiatives to provide an even more complete engagement toolkit for agencies and employees.

OPM has identified programs, products and services that will support employee engagement by addressing factors such as diversity, inclusion, work-life programs, and several processes for information sharing among agencies. By focusing on the following factors and processes that have been linked to engagement, these activities will support agency engagement goals and efforts, and in the aggregate, increase engagement and performance.

Anticipated FY 2015 Accomplishments:

OPM will achieve the following outcomes to provide a comprehensive suite of engagement services and models for agencies and employees:

- Institute an employee engagement Community of Practice to promote best practices in employee engagement Government-wide;
- Implement hybrid course delivery methods to provide a comprehensive suite of engagement, work-life, and leadership development tools and training for HR professionals;
- Consult with agencies on Federal Employee Viewpoint Survey (FEVS) action plan development and implementation;

- Provide agencies with assessment, human resources strategy and training services that help agencies drive employee engagement by hiring and promoting qualified employees, evaluating the workforce, increasing organizational effectiveness and measuring results;
- Provide agencies with learning strategies that improve employee engagement through OPM contracting vehicles;
- Leverage HR University, the Diversity and Inclusion (D&I) Strategic Partnership (the Partnership), and Federal Employee Resource Groups to promote successful practices; and
- Promote and share promising practices and metrics on employee engagement during and as the result of agency human capital self-accountability audits and OPM’s HR oversight audits.

Implementation Program Organizations:

Chief Human Capital Officers Council (CHCOC), Employee Services (ES), Human Resources Solutions (HRS), Office of Diversity and Inclusion (ODI), Planning and Policy Analysis (PPA), and Merit System Accountability & Compliance (MSAC), and Office of the Director (OD)

Implementation Considerations:

OPM’s CHCOC, ES, HRS, ODI, PPA, and Merit MSAC, and OD will directly support this strategy to provide a comprehensive suite of engagement service and models. ES will provide policy direction and leadership in designing, developing and promulgating Government-wide systems and programs; HRS will offer standardized as well as customized products and services to agencies on a reimbursable basis; ODI will provide leadership and efforts focused on developing, driving and monitoring strategies and initiatives designed to create a more diverse and inclusive Federal workforce; PPA will develop and provide metrics and analysis, and MSAC will monitor and assess results of agency activities.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|---------------------|-------------|
| Engaged Federal Workforce | | |
| 6.03 | | |
| Provide a comprehensive suite of engagement services and models for agencies and employees | \$14,510,844 | 43.2 |
| Chief Human Capital Officer Council | \$84,224 | 0.5 |
| Advances & Reimbursements To S&E | \$84,224 | 0.5 |
| Employee Services | \$812,342 | 5.5 |
| Salaries & Expenses Appropriation | \$812,342 | 5.5 |
| HR Solutions | \$13,331,597 | 35.6 |
| RF - Training Services (HRS) | \$13,331,597 | 35.6 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Office of the Director | \$62,256 | 0.3 |
| Common Services | \$62,256 | 0.3 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---------------------------------------|--------------------------------|-------------|
| Planning & Policy Analysis | \$94,331 | 0.6 |
| Salaries & Expenses Appropriation | \$94,331 | 0.6 |
| OPM Total | \$14,510,844 | 43.2 |

Strategy: 6.04 Ensure agencies target, address, and measure key drivers of employee engagement

Progress Indicator Statement

Increase in the percentage of Federal employees and managers who report satisfaction in the area of diversity and inclusion.

Strategy Overview:

Ensure agencies target, address, and measure key drivers of employee engagement by:

- Providing a standard definition of employee engagement and identify the factors and practices that drive engagement;
- Working with agencies to evaluate employee engagement based on Federal Employee Viewpoint Survey (FEVS) results and other human capital metrics so agencies make data-driven decisions and build and execute effective action plans;
- Working with agencies to evaluate inclusive work environments through the use of the new IQ (inclusion quotient), which is based upon data from the FEVS; and
- Monitoring agency results on targeted employee engagement areas through agency human capital self-accountability audits and OPM's HR oversight audits.

To determine the impact and effectiveness of the Goal 6 Strategies, OPM is prepared to monitor and measure key drivers and agency efforts related to employee engagement. On the basis of previous research, OPM anticipates positive outcomes from the many initiatives included in these strategies. However, it is by targeting, addressing and measuring engagement factors and outcomes that OPM can determine what results have actually been achieved. Under Strategy 6.04, OPM monitors and measures results of other agencies through oversight and requested assistance.

Anticipated FY 2015 Accomplishments:

OPM will achieve the following outcomes to ensure agencies target, address, and measure key drivers of employee engagement:

- Design and roll out an Organizational Health Assessment Framework that agencies can use to measure key workforce employee metrics that relate to employee engagement;
- Provide vendor delivered activities and training develop to monitor key employee metrics;
- Provide organizational assessment and program evaluation related services designed to enhance organizational effectiveness and assist agencies in improving their FEVS results;
- Provide at least two training sessions for agency supervisors and managers on effective action planning to address employee engagement challenges;
- Provide learning to managers and supervisors that will create more inclusive and engaged workforces, as reflected in increased FEVS scores within diverse demographics;
- Share the New IQ (inclusion quotient) metric with agencies to achieve more inclusive and engaged workforces, as reflected in increased FEVS scores; and

- Assess, through OPM’s HR Oversight Program, agency activities designed to enhance employee engagement.
- Leverage the experience gained from the FEVS online tool to design an appropriate tool to share FEVS, EHRI and other relevant HR data with Federal agencies.
- Conduct or commission research on the correlation between employee engagement and mission critical outcomes at the unit level within the Federal government.

Implementation Program Organizations:

Chief Human Capital Officers Council (CHCOC), Employee Services (ES), Human Resources Solutions (HRS), Office of Diversity and Inclusion (ODI), Planning and Policy Analysis (PPA), and Merit System Accountability & Compliance (MSAC), and Office of the Director (OD)

Implementation Considerations:

OPM’s CHCOC, ES, HRS, ODI, PPA MSAC, and OD will directly support this strategy will directly support this strategy to ensure agencies target, address and measure key drivers of employee engagement. ES will provide policy direction and leadership in designing, developing and promulgating Government-wide systems and programs; HRS will offer standardized as well as customized products and services to agencies on a reimbursable basis; ODI will provide leadership and efforts focused on developing, driving and monitoring strategies and initiatives designed to create a more diverse and inclusive Federal workforce; PPA will develop and provide metrics and analysis, and MSAC will monitor and assess results of agency activity results. Various program contingencies and constraints may affect the achievement of the strategies, accomplishments and milestones planned for Strategy 6.04. These factors are identified below:

- Technology access to conduct virtual training sessions that reach Federal leaders across the country, and not just in DC cooperation of CHCOC and agencies availability of inter-agency and internal data;
- HR Skills Initiative and SME input for the training of HR professionals on key drivers of employee engagement course availability;
- OPM staff availability;
- Volatility in agencies' annual Federal Budget appropriations resulting in the contraction of the market for federal staff engagement activities;
- Competition from private sector providers of similar services;
- Coordination with EEOC and other agencies; and
- Resources agencies continue to dedicate to their own accountability and independent audit programs are also critically important since their programs are augmented by OPM; options that may be available to strengthen OPM enforcement authorities, including possible incentives and penalties, will require commitment from leadership and may involve the need for regulatory changes

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|--------------------------------|-------------|
| Engaged Federal Workforce | | |
| 6.04 | | |
| Ensure agencies target, address, and measure key drivers of employee engagement | \$15,825,945 | 30.7 |
| Chief Human Capital Officer Council | \$84,224 | 0.5 |
| Advances & Reimbursements To S&E | \$84,224 | 0.5 |
| Employee Services | \$812,342 | 5.5 |
| Salaries & Expenses Appropriation | \$812,342 | 5.5 |
| HR Solutions | \$10,618,437 | 21.7 |
| RF - Training Services (HRS) | \$10,618,437 | 21.7 |
| Office of Diversity and Inclusion | \$126,094 | 0.7 |
| Salaries & Expenses Appropriation | \$126,094 | 0.7 |
| Office of the Director | \$61,256 | 0.3 |
| Common Services | \$61,256 | 0.3 |
| Planning & Policy Analysis | \$3,937,218 | 1.0 |
| Salaries & Expenses Appropriation | \$3,937,218 | 1.0 |
| Merit System Accountability & Compliance | \$186,374 | 1.0 |
| Salaries & Expenses Appropriation | \$186,374 | 1.0 |
| OPM Total | \$15,825,945 | 30.7 |

Strategic Goal: 7 Improved Retirement Benefit Service

Strategic Goal Statement:

Ensure that Federal retirees receive timely, appropriate, transparent, seamless, and accurate retirement benefits.

The Federal Government’s commitment to its employees does not end when someone retires from service. OPM administers retirement and insurance benefits for approximately 2.5 million annuitants, survivors, and family members. We must ensure quality delivery of those benefits and respond to retiree questions and concerns in a caring and timely manner. While real progress has been made over the last four years and the strategies outlined below have been implemented in part, they have not yet been fully achieved. Additionally, it is important to recognize that successful benefits processing is a result of not just an efficient processing system or communication with agencies, but also a fully engaged employee who is preparing to retire.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|--------------|
| Improved Retirement Services | | |
| 7.01 | | |
| Prepare the Federal workforce for retirement beginning from entry-on-duty across every stage of the employee life-cycle | \$1,464,893 | 9.0 |
| Planning & Policy Analysis | \$464,893 | 2.0 |
| TF Limit - Annual | \$464,893 | 2.0 |
| Retirement Services | \$1,000,000 | 7.0 |
| TF Limit - Annual | \$1,000,000 | 7.0 |
| 7.02 | | |
| Advance the 21st-century, customer-focused retirement processing system for claims adjudication in a timely and accurate manner | \$96,950,736 | 938.0 |
| Retirement Services | \$96,950,736 | 938.0 |
| TF Limit - Annual | \$54,045,736 | 631.0 |
| Trust Fund Title V - FERCCA | \$2,109,000 | 12.0 |
| Trust Fund-Title V | \$40,796,000 | 295.0 |
| 7.03 | | |
| Improve OPM service to Federal agency benefit officers | \$1,941,264 | 7.0 |
| Retirement Services | \$1,941,264 | 7.0 |
| TF Limit - Annual | \$1,941,264 | 7.0 |
| OPM Total | \$100,356,893 | 954.0 |

Strategy: 7.01 Prepare the Federal workforce for retirement from entry-on-duty across every stage of the employee life-cycle

Progress Indicator Statement:

Increase the percentage of all retirement data from agencies according to the required standard.

Increase the percentage of retirement applications prepared through information systems that meet established standards and have been certified by OPM.

Strategy Overview:

By using the strategies listed below, we will help prepare Federal workers for retirement from the moment they come on the job through every stage of the employee life-cycle, including post retirement assistance and account maintenance. Benefit Officers are a critical part of this process as they ensure that employees transition easily into retirement when the time comes.

- Establishing shared responsibility among OPM offices and agencies to ensure consistent information, tools, and counseling to employees;
- Establishing Government-wide data elements and standards spanning the employee life-cycle for management and receipt of timely and accurate employee data required for retirement;
- Establishing and enforcing standards for information systems used for management of retirement counseling and application preparation, and application transmittal;
- Promulgating policy harmonization and standards across Government and issue requirements for all agencies and payroll centers to provide data in an appropriate format;
- Continuing agency audits to improve quality of retirement submissions; and
- Engaging employees across the employee life-cycle in preparation for retirement.

Anticipated FY 2015 Accomplishments:

- Advise and provide technical assistance to all OPM offices and Congress on Federal retirement policy matters;
- Perform on-going audits of submissions by agencies;
- Provide monthly feedback to agencies and to alert agencies of trends and improvement opportunities; and
- Identify training needs for agencies and develop job aids, on-line training modules, and conduct workshops on the retirement application process.

Implementation Organizations:

Retirement Services (RS) and Planning and Policy Analysis (PPA)

Implementation Considerations:

The Benefits Officers at all Federal agencies are a critical part of this process as they ensure that employees transition easily into retirement when the time comes. RS is responsible for Government-wide administration of

developing and providing Federal employees, retirees and their families with benefits programs and services that offer choice, value and quality to help maintain the Government’s position as a competitive employer. RS is responsible for administering the Civil Service Retirement System (CSRS) and the Federal Employee Retirement System (FERS), serving 2.5 million Federal retirees and survivors who receive monthly annuity payments. In addition, PPA’s Office of the Actuary performs annual valuations of the retirement programs.

| | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Relative ratio of complete retirement submissions versus incomplete cases | 77% | 82% | 85% | 92% | 92% | 92% |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|---------------------|------------|
| Improved Retirement Services | | |
| 7.01 | | |
| Prepare the Federal workforce for retirement beginning from entry-on-duty across every stage of the employee life-cycle | \$1,464,893 | 9.0 |
| Planning & Policy Analysis | \$464,893 | 2.0 |
| TF Limit - Annual | \$464,893 | 2.0 |
| Retirement Services | \$1,000,000 | 7.0 |
| TF Limit - Annual | \$1,000,000 | 7.0 |
| OPM Total | \$1,464,893 | 9.0 |

Strategy: 7.02 Advance the 21st century customer-focused retirement processing system for claims adjudication in a timely and accurate manner

Progress Indicator Statement:

Exceed established targets on processing retirement and survivor claims accurately as published in the Annual Performance Report.

Improve the level of customer satisfaction as measured by customers satisfied with overall retirement services.

Exceed the targets established to reduce improper payments in the retirement program as outlined in the annual Agency Financial Report.

Strategy Overview:

OPM provides assistance through every stage of employee life-cycle, including post retirement assistance and retirement account maintenance. Post adjudication includes making address or tax status changes, sending out 1099-Rs, surveying certain annuitants to ensure their continued eligibility to receive benefits, and other related activities. RS will focus on the following strategies to advance our customer-focused retirement processing system:

- Investing in information technology tools and solutions such as the development of a full case management and workflow capability to facilitate payment of accurate and timely benefits payments;
- Using performance measures to ensure quality customer service;
- Strengthening quality assurance processes, policies, and procedures;
- Ensuring continued focus on addressing and reducing improper payments;
- Using all tools available including the CARE Team, the LAS survey and the Customer Service Survey to identify customer service trends and prioritize areas where change is needed;
- Delivering optimal customer service experiences by improving processes;
- Implementing best practices for receipt and use of electronic data;
- Issuing data standards for agencies and payroll providers and investing in the capability to receive data in appropriate standards; and
- Issuing data standards for electronic application.

Anticipated FY 2015 Accomplishments:

- Implement initiatives from the IT Plan
 - Guide to Retirement Data Reporting Feeds;
 - Case Management System;
 - Data Bridge Project; and

- On-Line Retirement Application (ORA).
- Implement technical changes to the retirement program resulting from the “Phased Retirement”;
- Re-host current RS applications to another platform on mainframe; and
- Identify customer service trends and implement process improvements to deliver optimal customer service experiences.

Implementation Organizations:

Retirement Services with support from the Chief Information Officer and Congressional, Legislative and Intergovernmental Affairs

Implementation Considerations:

Retirement Services (RS) will support this strategy along with Congressional, Legislative and Intergovernmental Affairs (CLIA). RS is responsible for Government-wide administration of developing and providing Federal employees, retirees and their families with benefits programs and services that offer choice, value and quality to help maintain the Government’s position as a competitive employer. RS is responsible for administering the Civil Service Retirement System (CSRS) and the Federal Employee Retirement System (FERS), serving 2.5 million Federal retirees and survivors who receive monthly annuity payments.

CLIA supports, informs, and advises the Director, OPM officials and Congressional staff on human resources policies and legislative priorities through hearings, briefings and reports.

One challenging component to accomplishing this strategy is the unexpected surges in normal retirement and phase retirement applications. When agencies make Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Program (VSIP) offers, OPM may see a significant increase in retirement applications. OPM works closely with agencies to understand upcoming retirement offers; however, surges in retirement applications can operate outside of OPM’s control and predictions.

OPM tries to anticipate legislative challenges that may impact the strategy. For example, this may include a change in how retirement annuities are calculated (e.g., addition of sick leave for service credit under FERS) or new retirement options such as phased retirement.

Information technology resources also play a critical role in accomplishing this strategy. These resources are budgeted to OPM’s Chief Information Officer, and are aligned to strategy 4.04. Being able to implement process improvements and increasingly rely on electronic systems will assist OPM in providing accessible retirement systems.

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Average unit cost (direct labor only) for processing retirement claims | \$105.94 | \$107.62 | \$101.89 | \$91.37 | \$97.22 | \$97.22 |
| Percent of retirement and survivor claims processed accurately | 98% | 94% | 92% | 93% | 95% | 95% |
| Percent of retirement claims processed within 60 days | *N/A | *N/A | *N/A | *N/A | 90% | 90% |
| Percent of customers satisfied with overall retirement services | 81% | 76% | 73% | 75.76% | 73% | 73% |
| Rate of improper payments in the retirement program | 0.35% | 0.34% | 0.36% | 0.36% | 0.35% | 0.34% |
| Average unit cost for processing customer service requests | \$2.87 | \$3.05 | \$4.66 | \$3.99 | \$4.10 | \$4.10 |
| Percent of retirement program customer calls handled | 83% | 83% | 81% | 82% | 73% | 73% |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|---------------------|--------------|
| Improved Retirement Services | | |
| 7.02 | | |
| Advance the 21st-century, customer-focused retirement processing system for claims adjudication in a timely and accurate manner | \$96,950,736 | 938.0 |
| Retirement Services | \$96,950,736 | 938.0 |
| TF Limit - Annual | \$54,045,736 | 631.0 |
| Trust Fund Title V - FERCCA | \$2,109,000 | 12.0 |
| Trust Fund-Title V | \$40,796,000 | 295.0 |
| OPM Total | \$96,950,736 | 938.0 |

Strategy: 7.03 Improve OPM service to Federal agency benefit officers

Progress Indicator Statement:

Train and certify Agency benefit/retirement officers who have not been trained on retirement services.

Strategy Overview:

- Developing an agency benefit officers' service delivery model emphasizing shared responsibility for benefits/retirement among employees, OPM and agencies;
- Defining standards for agency benefit officers, measuring their results, and recognizing them for exceptional customer service;
- Develop training certification for agency benefit/retirement officers on retirement services;
- Provide services to Congressional benefit offices regarding retirement and other benefits for current and retired Members of Congress and congressional staff. Constituent Services will monitor inquiries from and develop educational and outreach activities to the Senate Disbursing Office and the Office of the House Chief Administrative Officer regarding preparation and processing of congressional retirement benefits; and
- Develop recognition program for exceptional customer service.

Anticipated FY 2015 Accomplishments:

- Define standards for agency benefit officers
 - Set standards;
 - Communicate standards; and
 - Measure results.
- Develop a recognition program for exceptional customer service
 - Define exceptional customer service;
 - Define types of recognition;
 - Determine resource/funding availability; and
 - Create recognition plan.
- Present monthly Webcasts for Benefits' Officers on important areas of benefits and retirement administration
 - Schedule webcasts; and
 - Track attendance.

Implementation Organizations:

Retirement Services, Chief Information Officer

Implementation Considerations:

RS will solely support this strategy. Agency Benefits Officers are a critical part of this process as they ensure that employees transition easily into retirement when the time comes. RS is responsible for Government-wide administration of developing and providing Federal employees, retirees and their families with benefits programs and services that offer choice, value and quality to help maintain the Government's position as a competitive employer. RS is responsible for administering the Civil Service Retirement System (CSRS) and the Federal Employee Retirement System (FERS), serving 2.5 million Federal retirees and survivors who receive monthly annuity payments. Further, the CIO's Benefits Systems Group (BSG) develops solutions and manages systems that support OPM's activities where these are related to retirement and benefits. Additionally, they make feasibility and technology-related recommendations regarding technology improvement efforts.

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Percent of benefits officers trained per year | 61% | 60% | 55% | 52.63%* | 52% | 52% |
| Percent of customers who rate satisfaction with guidance material as very good or better | 87% | 84% | 100% | 90.60%** | 90% | 90% |
| Percent of customers who rate benefits conferences as very good or excellent | 100% | 95% | 96.95% | 96.95%*** | 96% | 96% |

* In FY 2013, Webinar trainings took the place of the regularly scheduled Benefits Officer's Conference because of budget constraints. The FY 2013 result reflects the number of webcast log-ins to show the number of Benefits Officers trained via the Webcasts.

** Sample size for the FY 2013 result was limited and may explain the decrease from the FY 2012 result.

*** FY 2013 Results carry forward the FY 2012 value given that there was no Benefits Officer's Conference in FY 2013.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|---------------------|------------|
| Improved Retirement Services | | |
| 7.03 | | |
| Improve OPM service to Federal agency benefit officers | \$1,941,264 | 7.0 |
| Retirement Services | \$1,941,264 | 7.0 |
| TF Limit - Annual | \$1,941,264 | 7.0 |
| OPM Total | \$1,941,264 | 7.0 |

Strategic Goal: 8 Enhanced Federal Workforce Integrity

Strategic Goal Statement:

Enhance the integrity of the federal workforce

The integrity of the federal workforce is enhanced through the review of the suitability of individual applicants, ongoing reviews of federal employees, and the oversight of agency human resource systems that promote fairness and merit in all hiring and assessment processes.

Under the Civil Service Rules, the Director of OPM establishes suitability standards for the competitive service, conducts suitability investigations, and makes (or delegates) suitability determinations, to ensure that those whom agencies select and retain to serve the United States Government and the American people are fit to serve.

As the Suitability Executive Agent, the Director of OPM is responsible for developing and implementing consistent, uniform policies, tools, and processes for determinations of suitability, assignment to sensitive positions, and access to Federal facilities' and information systems. Executing these responsibilities encompasses the collection of background investigation information. OPM's activity in support of this goal helps protect our national security and provides the American people a reliable and responsible employee team they can trust in fulfilling important Government functions.

As the Suitability Executive Agent, the Director of OPM is responsible for ensuring that those whom agencies select and retain to serve the United States Government and the American people are fit to serve. To do this, we must develop and implement consistent, uniform policies, tools, and processes for determinations of suitability, assignment to sensitive positions, and access to Federal facilities' and information systems. Executing these responsibilities encompasses the collection of background investigation information. OPM's activity in support of this goal helps protect our national security and provides the American people a reliable and responsible employee team they can trust in fulfilling important Government functions.

OPM is mandated by statute to ensure delegated human resource authorities are carried out in accordance with merit system principles and OPM standards. In addition, Executive Order 13197 (Government-wide Accountability for Merit System Principles; Workforce Information) authorizes OPM to hold executive departments and agencies accountable to the President for effective human capital management.

The objective of this strategic goal is to ensure trustworthy and well qualified applicants are hired into federal service and that agencies operate efficient and effective human capital management programs within merit system principles. This goal also supports the Administration's data strategy and focus on evidence-based policy and management by ensuring OPM's decision making is data driven.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|----------------|
| Enhanced Federal Workforce Integrity | | |
| 8.01 | | |
| Enhance policy, procedures and processes used to ensure people are fit to serve | \$1,027,748,262 | 2,730.0 |
| Federal Investigative Services | \$1,026,654,214 | 2,724.0 |
| RF Investigative Services | \$1,026,654,214 | 2,724.0 |
| Office of the General Counsel | \$932,744 | 5.0 |
| Common Services | \$932,744 | 5.0 |
| Planning & Policy Analysis | \$161,304 | 1.0 |
| Salaries & Expenses Appropriation | \$161,304 | 1.0 |
| 8.02 | | |
| Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$13,411,377 | 76.4 |
| Employee Services | \$683,247 | 4.5 |
| Salaries & Expenses Appropriation | \$683,247 | 4.5 |
| HR Solutions | \$4,132,000 | 10.0 |
| RF - Training Services (HRS) | \$4,132,000 | 10.0 |
| Office of the Director | \$189,418 | 0.9 |
| Common Services | \$189,418 | 0.9 |
| Office of the General Counsel | \$489,752 | 3.0 |
| Common Services | \$489,752 | 3.0 |
| Planning & Policy Analysis | \$161,304 | 1.0 |
| Salaries & Expenses Appropriation | \$161,304 | 1.0 |
| Merit System Accountability & Compliance | \$7,755,656 | 57.0 |
| Salaries & Expenses Appropriation | \$7,755,656 | 57.0 |
| 8.03 | | |
| Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$223,412,955 | 134.6 |
| Employee Services | \$1,037,581 | 7.0 |
| Salaries & Expenses Appropriation | \$1,037,581 | 7.0 |
| HR Solutions | \$219,971,343 | 110.6 |
| RF - Training Services (HRS) | \$219,971,343 | 110.6 |
| Office of the General Counsel | \$489,752 | 3.0 |
| Common Services | \$489,752 | 3.0 |
| Merit System Accountability & Compliance | \$1,914,279 | 14.0 |
| Salaries & Expenses Appropriation | \$1,914,279 | 14.0 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|----------------|
| 8.04 | | |
| Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$4,262,588 | 29.3 |
| Employee Services | \$2,569,734 | 19.0 |
| Salaries & Expenses Appropriation | \$2,569,734 | 19.0 |
| HR Solutions | \$1,013,669 | 6.4 |
| RF - Training Services (HRS) | \$1,013,669 | 6.4 |
| Office of the Director | \$189,433 | 0.9 |
| Common Services | \$189,433 | 0.9 |
| Office of the General Counsel | \$489,752 | 3.0 |
| Common Services | \$489,752 | 3.0 |
| OPM Total | \$1,268,835,182 | 2,970.2 |

Strategy: 8.01 Enhance policy, procedures and processes used to ensure people are fit to serve

Progress Indicator Statement:

90 percent of Top Secret investigations completed in average of 80 days or fewer and Secret investigations completed in average of 40 days or fewer.

Percent of milestones met in FBI/OPM implementation plan to provide emerging Criminal History Information to employing Government agencies implementation plan.

Strategy Overview:

The Federal Investigative Services (FIS) provides personnel background investigative services to determine individuals' suitability for Federal civilian, military, and contract employment and eligibility for access to classified national security information. FIS performs background investigations for Federal agencies on a fee-for-service basis and conducts over 95 percent of all background investigations for the Federal Government. The mandates of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA) and the Director of National Intelligence (DNI) continue to be a primary focus of the background investigations program. FIS continues to complete initial Top Secret clearances in less than 80 days and overall initial clearance investigations in less than 40 days, as required by IRTPA and the DNI. This has been achieved through significant investments in information technology and stream-lined product realignment that has made the gathering, processing, and disseminating of investigative information more efficient and cost-effective. Starting in February 2014, all final quality reviews of investigations products will be performed by FIS' Federal staff to ensure that all investigations meet investigations standards. OPM co-chairs an interagency Quality Assessment Working Group tasked with developing standardized means to measure the quality of investigations. Enhance policy, procedures, and processes used to ensure people are fit to serve by:

- Defining executive branch wide quality standards for background investigations in collaboration with the Director of National Intelligence (DNI);
- Revising tools and measures to universally assess quality in collaboration with Office of the Director of National Intelligence and the Suitability and Security Clearance Performance Accountability Council (PAC);
- Automating front-end processes to reduce paper investigation requests in support of Background Investigations timeliness standards;
- Implementing revised Federal Investigative standards;
- Establishing and enforcing standards for information systems used for management of agency adjudication decisions and data;
- Developing tools to deliver appropriate emerging information to decision makers;
- Developing automated tools to support efficiency and consistency in background investigation processes; and

- Participating in the 120-day review to President; co-chairing the Records Access Task Force effort required by National Defense Act for 2014, section 907; completing the implementation of recommendations accepted by the President through PAC process.
- Completing the joint promulgation of 5 CFR part 1400 with the DNI; jointly preparing revisions to guidance that align with the new regulations. Jointly completing the renewal of Standard Form 86. Begin preparing revisions to existing guidance to implement recommendations arising from 120-day review.
- Assisting Department of Justice to seek reversal of the Merit Systems Protection Board's decision in Hopper at the Federal Circuit (i.e., OPM's request for reconsideration in Northover v. Kaplan to its conclusion before the Supreme Court). Handling the welter of suitability appeals and EEO litigation arising from the investigative and adjudicative programs that will materialize throughout the year.
- Completing annual training; reviewing required financial reports and transmitting the reports to Office of Government Ethics in accordance with regulatory deadlines. And administering advice on an as-needed basis.

Anticipated FY 2015 Accomplishments:

FIS will continue efforts to ensure the quality of background investigation products and to meet and exceed security clearance timeframes established in IRTPA and the DNI. FIS will complete all initial national security background investigations within the defined IRPTA target of 90 percent completed in an average of 40 days or less. In addition, FIS will meet or exceed the DNI target to complete the fastest 90 percent of initial Top Secret investigations in an average of 80 days and Secret initial clearance investigations in less than 40 days. To continually meet this standard, FIS will allocate resources to support personnel needs, modernize the information technology infrastructure, offer expanded internal and external investigative and adjudicative training, and provide continuous monitoring of the investigative process to streamline standards and procedures. Furthermore, FIS will continue to be a key contributor to the continual development and implementation of new Federal Investigative standards.

Implementation Organizations:

Federal Investigative Services (FIS), Chief Information Officer (CIO), Office of General Council (OGC), Planning & Policy Analysis (PPA)

Implementation Considerations:

OPM's FIS is the primary program executing this goal. FIS will be supported by other OPM organizations that will assist in such areas as information technology development and operations CIO general counsel advice OGC, definition of HR data standards (PPA and HRLOB), and budgetary build and financial operations CFO.

FIS will continue to employ its long-standing investigative processes to execute this goal. These processes and activities include Field Investigation, Manual Searches of Automated Databases, FBI Name Checks & Database Searches, State Criminal History Record Checks, Bureau of Vital Statistics Searches, Credit Checks, Case Review and Quality Activities, Support Services, Customer Service, Application/Standard Form Ingesting, Fingerprint Transaction, Case Management, Imaging and Retention, Investigator Fieldwork Reporting, Freedom of

Information/Privacy Act, Fleet Services Management and Control, Integrity Activities, Human Resources Activities, Adjudications, Statistical Analysis and Reporting, Secure Portal Management, Central Verification System (CVS) Management, Internal Training, Facilities Management, and Records Access Activities.

Skill sets include a variety of professional disciplines, to include investigating, quality review, information technology development and operations, leadership/management, administration, contract oversight, financial management, and adjudications.

Technology to support this goal includes Personnel Investigation Processing System (PIPS), CVS, Dashboard, Electronic Questionnaires for Investigations Processing (e-QIP), Fieldwork System (FWS), OPM PIPS Imaging System (OPIS), the Secure Portal, and Fingerprint Transaction System (FTS). OPM will employ a mix of skilled federal employees and contractor support to execute this goal. A long-established revolving fund will be used to management operations. The Office of the CIO through Applications Systems (AS) designs, develops and maintains mainframe, distributed, and browser-based systems to support FIS with products and services such as;

- Front-end Portal access for the personnel security suite of systems;
- Enhancements to systems that submit data to the case processing system;
- Develops and enhances interfaces with other investigative entities;
- Develops and enhances functionality of end-to-end automated support for the processing of personnel security investigations; and
- Designs, develops, and supports government-wide database of security clearance information for Federal employees and contractors.

Success of this strategy depends on an external factor--outcome of Justice Department proceedings with OPM investigative contractors. Depending upon the result of current Justice Department actions, FIS may need to adapt its contractor and Federal investigation workforce.

In FY 2015, OGC will advocate on behalf of Employee Services and the Federal Investigative Services. For example, OGC will help prepare OPM Director and staff to testify on the Hill; comment upon proposed guidance from agencies with which we partner, draft Executive Orders, and draft presidential memoranda; and provide opinions and technical advice to congressional staff with respect to incipient and proposed legislation to help ensure that OPM's unique perspectives and expertise informs such proposals.

Further, OGC will provide legal advice and support with respect to OPM's own products to guide the investigative and adjudicative processes, including regulations and guidance. Also, OGC advocates on behalf of OPM programs relating to investigative processes and subsequent adjudications before administrative tribunals such as the MSPB and the EEOC, and provide effective assistance to the Department of Justice when it advocates for these programs in the Federal Court.

Lastly, OGC will administer OPM's ethics program through training, day-to-day advice, and the processing of required disclosure reports.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ | |
|---|------------------------|----------------|
| | Dollars | FTE |
| Enhanced Federal Workforce Integrity | | |
| 8.01 | | |
| Enhance policy, procedures and processes used to ensure people are fit to serve | \$1,027,748,262 | 2,730.0 |
| Federal Investigative Services | \$1,026,654,214 | 2,724.0 |
| RF Investigative Services | \$1,026,654,214 | 2,724.0 |
| Office of the General Counsel | \$932,744 | 5.0 |
| Common Services | \$932,744 | 5.0 |
| Planning & Policy Analysis | \$161,304 | 1.0 |
| Salaries & Expenses Appropriation | \$161,304 | 1.0 |
| OPM Total | \$1,027,748,262 | 2,730.0 |

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Maintain the Quality of all Investigations | 99.9 | 99.9 | 99.9 | 99.8 | 99 | 99 |
| Achieve Timeliness Goal – All Initial Security Clearances | 39 | 40 | 36 | 35 | 40 | 40 |
| Achieve Timeliness Goal – Initial Secret/Confidential Clearances* | N/A | N/A | N/A | 40 | 40 | 40 |
| Achieve Timeliness Goal – Initial Top Secret Clearances* | N/A | N/A | N/A | 80 | 80 | 80 |

* New measure established for FY 2013 and beyond to meet the DNI goal

Strategy: 8.02 Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems

Progress Indicator Statement:

70 percent or greater of agency human capital offices evaluated demonstrate progress in improving their human capital programs after implementing OPM required and recommended actions.

80 percent or greater of all required actions cited in reports are addressed by agencies within prescribed timeframes.

80 percent or greater of Delegated Examining Units with severe problems demonstrate satisfactory level of competence within one year or cease to independently operate.

Strategy Overview:

Hold agencies accountable for maintaining efficient, effective, and compliant human capital management programs and accountability systems by:

- Evaluating agencies' human capital management programs and accountability systems for effectiveness, efficiency, and compliance with law;
- Ensuring OPM's products and services are designed to help agencies maintain efficient, effective and compliant human capital management programs;
- Ensuring agencies take corrective actions when high-risk vulnerabilities and violations of law in human capital management programs are identified;
- Exploring options to strengthen OPM's enforcement authorities or measures when agencies fail to meet regulatory requirements; and
- Developing work products and processes that increase transparency and strengthen agency senior leader commitment and support in ensuring their human capital management programs are efficient, effective, and compliant, including:
 - A dashboard of management targets to increase agency awareness and drive improvement efforts; and
 - Information on effective human capital management programs, practices, and strategies Government-wide and agency-specific problematic trends, root causes, and improvement strategies.
- Deliver guidance as needed; and
- Deliver opinions to MSAC as needed (difficult to predict particular topics). Explain positions to Justice or recalcitrant agencies as needed (difficult to predict particular topics).

Anticipated FY 2015 Accomplishments:

- Ensure agencies are compliant with applicable delegated examining and human capital management regulatory and statutory requirements;

- Further leverage available OPM and HRS technology to provide the most cost-effective services to our Federal customers;
- Undergo an OPM evaluation of agency hiring levels for Administrative Law Judges (ALJ) to determine whether the ALJ examination should be re-administered to refresh the qualified candidates register;
- Ensure the ALJ examination is up-to-date with current examination methodologies and occupational requirements;
- Continue to ensure that agencies are in compliance with applicable regulatory and statutory requirements of the Administrative Law Judges Program (ALJP). The ALJP will further leverage available OPM and HRS technology to provide the most cost-effective services to our Federal customers. In addition, the ALJP will undergo an OPM evaluation of agency hiring levels for ALJs to determine whether the ALJ examination should be re-administered to refresh the qualified candidates register;
- Provide briefings and case-by-case discussions as necessary;
- Use Human Capital Framework to inform Strategic Human Capital Management;
- Develop Government-wide SWP;
- Collaborate with other analytics agencies and organizations;
- Through general counsel services, review any necessary revisions to regulations and guidance for legal sufficiency as the work arises;
- Establish CHCOC workgroup and obtain input from agencies to identify meaningful content, Government-wide metrics and general parameters of the dashboard; and
- Identify multi-year trend analysis database sources and conduct test analysis of Government-wide data.

Implementation Organizations:

Merit System Accountability & Compliance (MSAC), Human Resources Solutions (HRS), Office of General Council (OGC), Employee Services (ES), Office of the Director (OD), and Planning & Policy Analysis (PPA)

Implementation Considerations:

The Goal 8 Strategy is 8.02 is dependent on enhanced communication and collaboration from ES on policy and human capital leadership issues and information; partnering with OCIO, OGC, CLIA, and agency Chief Human Capital Officer's (CHCO); and continued collaboration with CHCO agency accountability program staff. PPA will provide statistical analysis and feedback via the Federal Employees Viewpoint Survey (FEVS).

The creation of a Government-wide dashboard for reporting human capital management targets will require facilitation of a contract to develop a web-based platform. The accuracy of the data relied upon for reporting dashboard outcomes will be critical as will the development of targets to ensure the findings reported are placed in their proper context. Agency Compliance and Evaluation (ACE) will continue to leverage ES information about agencies' performance management systems, workforce planning efforts and time to hire data, FEVS results, and the data agencies report as part of the HR Stat initiative. While MSAC ACE has begun working with other OPM offices to identify data it needs to carry out these strategies, ACE may be more dependent on agencies to maintain and share their HCM information upon request. MSAC will also need access to the data collected

from agencies through annual performance plans and reports that include human capital goals and outcomes, respectively. In order to provide agencies with agency-specific and Government-wide multi-year data analysis, MSAC must overcome skills gaps and build capacity in data analytics among our evaluator staff.

Options that may be available to strengthen OPM enforcement authorities, including possible incentives and penalties, also will require commitment from OPM leadership, and support from OGC, CLIA and ES.

In FY 2015, OGC will review any necessary revisions to regulations and guidance for legal sufficiency as the work arises, and provide legal advice to MSAC on pending audits, as needed (e.g., Railroad Retirement Board controversy submitted to Justice’s Office of Legal Counsel).

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|-------------|
| Enhanced Federal Workforce Integrity | | |
| 8.02 | | |
| Hold agencies accountable for maintaining efficient, effective and compliant human capital management programs and accountability systems | \$13,411,377 | 76.4 |
| Employee Services | \$683,247 | 4.5 |
| Salaries & Expenses Appropriation | \$683,247 | 4.5 |
| HR Solutions | \$4,132,000 | 10.0 |
| RF - Training Services (HRS) | \$4,132,000 | 10.0 |
| Office of the Director | \$189,418 | 0.9 |
| Common Services | \$189,418 | 0.9 |
| Office of the General Counsel | \$489,752 | 3.0 |
| Common Services | \$489,752 | 3.0 |
| Planning & Policy Analysis | \$161,304 | 1.0 |
| Salaries & Expenses Appropriation | \$161,304 | 1.0 |
| Merit System Accountability & Compliance | \$7,755,656 | 57.0 |
| Salaries & Expenses Appropriation | \$7,755,656 | 57.0 |
| OPM Total | \$13,411,377 | 76.4 |

Strategy: 8.03 Provide guidance, tools and training to help human capital management goals and meet OPM requirements

Progress Indicator Statement:

80 percent or greater of participants assess the quality of training provided by Agency Compliance and Evaluation staff at no less than 4 out of 5 points on a scale of 1 to 5.

Increase in the percentage of HR specialists and agency benefit officers trained and certified by HR University.

Increase in the percentage of applicable HR information systems across the Federal Government are certified to align with OPM policy and guidance for equitable treatment.

Strategy Overview:

Provide guidance, tools, and training to help agencies attain human capital management goals and meet OPM requirements by:

- Training and certifying agency staff to carry out competitive hiring operations delegated by OPM;
- Training agency staff to conduct self-assessments of agency human capital management programs;
- Creating a certification process for agency self-assessment evaluators;
- Communicating new and existing policy, and standards to agencies;
- Educating agencies about the merit system principles and prohibited personnel practices;
- Promoting and delivering low-cost, effective learning solutions for the federal community through expanded distance and blended-learning solutions, skills immersion mini-workshops, and open enrollment course offerings through HR Training On Demand program;
- Training HR professionals across the Federal Government through HR University (HRU) and the HR Training on Demand program and assisting HR specialists with additional policy and guidance;
- Promote training programs across all OPM platforms, including USA Learning, HR Learning Connection, OPM Learning Center, HR University, THEO, USAJOBS, and OPM.gov; and
- Deliver guidance as needed (difficult to predict).

Anticipated FY 2015 Accomplishments:

- Develop and roll out Government-wide agency evaluator certification program;
- Ensure training provided by ACE staff is well received and useful to participants;
- HRS delivers services which support the ability of agencies to reach human capital management goals and comply with OPM requirements via solutions delivered by its Center for Leadership Development (CLD), Federal Staffing Group (FSG), HR Strategy and Evaluations (HRSES), and Training and Management Assistance (TMA) solutions;
 - Develop CLD e-learning opportunities that will provide more cost-effective offerings (by reducing travel and lodging expenses).

- Work in partnership with Employee Services to develop a “GovU” initiative that will feature CLD courses and programs.
- Contribute to the USASuite initiative to provide a common platform across Government to better access all services from hiring through retirement, to include access to OPM professional development opportunities.
- Actively engage customers to determine needs and develop custom solutions. Achieve ASCI score of greater than or equal to 70.
- Increase USA Hire usage by 10 percent over FY 2014 activity.
- Conduct training sessions for agency clients including open enrollment sessions through FSG HR Training on Demand. Assist customers to accomplish their recruiting goals through Staff Acquisition Branch recruitment and branding services.
- Expand the new HR staffing leadership training course offerings to three additional states, and expand the library of course offerings to cover critical technical areas.
- Continue to develop HRSES tools and training offerings through the regular conduct of our consulting services, ensuring these are developed effectively regardless of whether the training market is depressed or not. HRSES will actively market and sell these offerings, ensuring we maintain or improve our financial performance while maintaining superior customer service.
- Collect and monitor customer satisfaction data at the end of Quarter 2 and Quarter 4. Financial data will be monitored monthly and 35 percent of sales and revenue will be achieved by the end of Quarter 2.
- Manage projects that deliver strategic human capital improvement activities to client agencies;
- Provide TMAP vendor delivered strategic human capital improvement activities by educating and training agencies HR professionals.
- Ensure TMAP services are delivered as dictated by the market, executed within compliance and deliverables are accepted at a rate of 99 percent by the requesting agency.
- The Center is developing e-learning opportunities that will provide more cost-effective offerings (by reducing travel and lodging expenses). It is also working with ES to develop a “GovU” initiative that will feature CLD courses and programs.
- The Center is working as a part of the USASuite initiative to provide a common platform across Government to better access all services from hiring through retirement, to include access to OPM professional development opportunities. In addition, the Center is expanding its SES-developmental portfolio to meet the learning needs of this currently underserved group of public servants.
- SES members have, to date, had few opportunities for professional development targeted specifically for their level of leadership. The CLD is designing and developing new opportunities, expanding its SES portfolio, to revise the SES orientation, expand ECQ-specific workshops and introduce a new “Keystone program” (building on the excellent Leadership for a Democratic Society program, but targeting SES members specifically). Among the topics covered in these sessions will be strategic-leadership, planning, inculcating collaboration and creativity in a workforce, resilience, mindfulness, and a host of other topics specific to public servants’ success and well-being. Combined, these efforts will emphasize employee engagement

across the Federal workforce by providing a backbone of collaborative-leadership champions, inspired and motivated to lead their people to mission success.

- Actively engage customers to determine needs and develop custom solutions. Achieve ASCI score of greater or equal to 70. Increase USA Hire usage by 10 percent over FY 2014 activity. Will conduct training sessions for agency clients including open enrollment sessions through HR Training on Demand. Assist customers to accomplish their recruiting goals through SAB recruitment and branding services.
- Support practitioners and other officials in closing HR skills gap by developing skills necessary and providing policy and technical guidance to effectively address labor and employee relations matters that impact agency mission accomplishment. Development/delivery of training as follows:
 - No less than four professional development series classroom training courses for labor and employee relations practitioners and line managers; and
 - No less than six webinar trainings for labor and employee relations practitioners and line managers.
- Refresher update to existing labor and employee relations web-based training or development of new web-based training, if appropriate resources are available.
- Development and delivery of training as follows:
 - No less than four webinar trainings for HR practitioners and line managers on hiring assessments, and workforce restructuring; and
 - Refresher update to existing recruitment, hiring, assessments, and workforce restructuring web-based training or development of new web-based training, if appropriate resources are available.
- Numerous outreach efforts (visits, webinars) to colleges and universities to educate potential applicants about the Federal Government and how to apply for jobs.
- PMF (reimbursable)
 - Web-based training during the PMF virtual job fair;
 - Monthly webinars with the Fellows on Federal employment as well as one for new supervisors;
 - One-day session leadership training session at Mt. Vernon;
 - We would expand our training with additional resources; and
 - Support practitioners and other officials in closing the HR skills gap by developing the skills necessary and providing policy and technical guidance to effectively address recruitment and hiring challenges that impact agency mission accomplishment.
- Through general counsel services, review any necessary revisions to regulations and guidance as the work arises.

Implementation Organizations:

Employee Services, Merit System Accountability & Compliance, Office of General Council, Human Resources Solutions

Implementation Considerations:

The Goal 8 Strategy 8.03 is dependent on MSAC ACE maintaining adequate staffing levels; adequate appropriations to support OPM's HR oversight and evaluation program; enhanced communication and collaboration from ES on policy and human capital leadership issues and information; partnering with OCIO,OGC, CLIA, and agency CHCOs; and continued collaboration with CHCO agency accountability program staff .

In order to establish a certification requirement for agency evaluators, interagency agreements may need to be developed. In addition, OGC will review any necessary revisions to regulations and guidance as the work arises in support of this strategy.

| Performance Measures | FY 2010 Result | FY 2011 Result | FY 2012 | | | FY 2015 Target |
|--|----------------|----------------|---------|----------------|----------------|----------------|
| | | | Result | FY 2013 Result | FY 2014 Target | |
| Index score of customer satisfaction with HR Solutions products and services (ACSI-Equivalent Index) | 80 | 75 | 76 | 80 | 80 | 80 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|----------------------|--------------|
| Enhanced Federal Workforce Integrity | | |
| 8.03 | | |
| Provide guidance, tools and training to help agencies attain human capital management goals and meet OPM requirements | \$223,412,955 | 134.6 |
| Employee Services | \$1,037,581 | 7.0 |
| Salaries & Expenses Appropriation | \$1,037,581 | 7.0 |
| HR Solutions | \$219,971,343 | 110.6 |
| RF - Training Services (HRS) | \$219,971,343 | 110.6 |
| Office of the General Counsel | \$489,752 | 3.0 |
| Common Services | \$489,752 | 3.0 |
| Merit System Accountability & Compliance | \$1,914,279 | 14.0 |
| Salaries & Expenses Appropriation | \$1,914,279 | 14.0 |
| OPM Total | \$223,412,955 | 134.6 |

Strategy: 8.04 Assure effective human capital management of Senior Executive Service (SES) and other senior employees

Progress Indicator Statement:

Increase in the percentage of hiring officials reporting satisfaction with quality of appointee.

Increase in the number of agencies adopting the basic SES performance appraisal system and including cross-Government requirements (e.g., Employee Viewpoint Survey results, diversity management and inclusion, effective human capital management, etc.).

Increase in the number of candidates for initial SES appointment obtaining Quality Review Board approval.

Strategy Overview:

Assure effective human capital management of Senior Executive Service (SES) and other senior employees by:

- Establishing policy and guidance to foster an effective enterprise approach to the diverse and inclusive recruitment, selection, appointment, performance management, compensation, recognition, and development of SES and other Senior Employees, consistent with applicable law;
- Administering enterprise processes to ensure the selection, appointment, performance management, compensation, recognition, and development of SES and other Senior Employees comply with civil service laws, rules, and regulations;
- Providing an optional automated performance management system; and
- USA PerformanceSM, to automate the Government-wide SES PM System.
- Review Government-wide memoranda as needed (difficult to predict timing or specific topics)
- Rendering advice in particular cases (difficult to predict)
- Complete work on revisions to regulations regarding new performance management template and work through advice with ES; complete work on manual on training for senior staff

Anticipated FY 2015 Accomplishments:

- The CLD will design and develop new opportunities, expanding its SES portfolio, to revise the SES orientation, expand ECQ-specific workshops and introduce a new “Keystone program” (building on the excellent Leadership for a Democratic Society program, but targeting SES members specifically).
- Among the topics covered in these sessions will be strategic-leadership, planning, inculcating collaboration and creativity in a workforce, resilience, mindfulness and a host of other topics specific to public servants’ success and well-being.
- By June 30, 2014, define, develop and schedule SES courses for FY 2015 to address competencies needed for SES leadership.
- HRSES will further the effective management of the Senior Executive Service (SES) across Government by fielding the first Federally developed performance management system to be offered to agencies Government-wide on a reimbursable basis.

- USAP will be fully developed, operated, and maintained within OPM.
- Agencies will save hundreds of thousands to millions of dollars through streamlining and automating the traditional paper process, even with the investment in USAP. Moreover, the accountability of the performance management process will increase.
- HRSES will monitor customer adoption of USA Performance throughout the fiscal year, and at least five agencies will sign on to use USAP by the end of quarter 2.
- Agencies will be able to electronically monitor upcoming HC actions/activities related to managing SES and other SES Employees, and proactively address these. The result will be an increase in the accuracy and completeness of information within ESCS. Measures that are under development to determine the effectiveness of this accomplishment are the number of agencies who certify their information within ESCS as complete and accurate, as well as the number of agencies identified through OPM management controls meeting their statutory/regulatory requirements regarding career reserved positions and allocations.
- Guidance will be developed and provided to agencies, along with training, to assist the agencies in meeting requirements associated with QRB processing and allocation requests. Various measures are under development to determine the effectiveness of this accomplishment, which may include 90 percent of participant scores from training equaling 4 out of 5; the percent of packages/applications provided that are complete from the initial submission.
- FY 2015 through FY 2018 – In the DC Metropolitan area, recruit, select, and match participants to rotational assignments for two cohorts, each year.
- FY 2015 through FY 2018 – In the Field, recruit, select, and match participants to rotational assignments for one cohort, each year; in FY 2015 we will expand the Field participation by 4 Field locations; in FY 2016 through FY 2018, we will expand the Field participation to 7 locations each year, so that all 28 FEB locations will be participating by the end of FY 2018.
- OPM serves as a model agency and provides agencies with assistance needed to implement SES, SL/ST, leadership development, and Federal Government performance management and awards policies consistent with law and regulations.
- Agencies understand and follow the requirements of available program flexibilities to address critical executive recruitment and retention needs in a cost-effective manner.
- OPM meets any statutory requirement to issue SES, SL/ST, leadership development, or performance management and awards regulations and reports.
- Regular and recurring guidance and support to agencies on complex senior employee, leadership development, and performance management and awards issues resulting in positive feedback from agency customers.
- Timely completion of review and analysis of multiple legislative and policy proposals and submission of substantive and relevant comments and recommendations.
- Provide general counsel legal advice to ES, and, with ES, to OMB, on over-arching issues related to pay and bonuses for senior executives and other senior staff; interpret OPM's regulations and guidance in connection with that function.

- Provide general counsel legal advice to ES concerning whether an agency has met the criteria for certification as having a performance management systems that makes meaningful distinctions among senior staff.
- Through general counsel services review any proposed revisions to regulations and guidance for legal sufficiency as the work arises.

Implementation Organizations:

Human Resources Solutions, Employee Services, Office of the Director, Office of General Council

Implementation Considerations:

In FY 2015, OGC will provide legal advice to Employee Services (ES), and in conjunction with ES, to OMB, on over-arching issues related to pay and bonuses for senior executives and other senior staff; interpret OPM’s regulations and guidance in connection with that function.

OGC will provide legal advice to ES concerning whether an agency has met the criteria for certification as having a performance management systems that makes meaningful distinctions among senior staff.

The Office of the Director will provide administrative support and coordinate with OMB and other Federal Departments and Agencies for the implementation of this strategy.

Review any proposed revisions to regulations and guidance for legal sufficiency as the work arises.

| OPM Budget Authority | FY 2015 CBJ Dollars | FTE |
|---|---------------------|-------------|
| Enhanced Federal Workforce Integrity | | |
| 8.04 | | |
| Assure effective human capital management of Senior Executive Service (SES) and other senior employees | \$4,262,588 | 29.3 |
| Employee Services | \$2,569,734 | 19.0 |
| Salaries & Expenses Appropriation | \$2,569,734 | 19.0 |
| HR Solutions | \$1,013,669 | 6.4 |
| RF - Training Services (HRS) | \$1,013,669 | 6.4 |
| Office of the Director | \$189,433 | 0.9 |
| Common Services | \$189,433 | 0.9 |
| Office of the General Counsel | \$489,752 | 3.0 |
| Common Services | \$489,752 | 3.0 |
| OPM Total | \$4,262,588 | 29.3 |

Strategic Goal: 9 Healthier Americans

Strategic Goal Statement:

Increase the percentage of states covered by at least one Multi-State insurance carrier and percentage of states covered by two or more Multi-State insurance issuers.

Increase the number of carriers receiving OPM “Exemplary” or “Most Improved” distinction for health care quality or customer service.

Improve overall satisfaction with health plan as reported by health plan enrollees in Consumer Assessment of Healthcare Providers and Systems (CAHPS).

Decrease the number of ineligible dependents on enrollee’s FEHB coverage.

Provide high quality health benefits and improve the health status of Federal employees, Federal retirees, their families, and populations newly eligible for OPM-sponsored health insurance products.

This goal establishes OPM’s role in improving the health status of populations covered under OPM-sponsored health insurance programs. Incorporating responsibilities granted through the Affordable Care Act, populations served by OPM-sponsored health insurance programs include employees of tribal organizations and formerly uninsured Americans served by Multi-State Plans as well as Federal employees, Federal retirees, and dependents of Federal employees and retirees.

High quality health insurance promotes access to care, supports better health and better care, empowers enrollee choice, and increases employee loyalty. Better care prevents long term disability and disease, stabilizes chronic conditions, and minimizes hospitalization. Effective worksite wellness programs along with health conscious workers and community environments complement insurance benefits and reinforce positive choices. Additional benefits, such as life, long term care, dental, vision, and flexible spending accounts, improve employee quality of life, meet unique family needs, and increase employee loyalty.

The mission of Planning and Policy Analysis (PPA) is to provide strategic analysis and workforce information for the OPM Director and to support the performance goals of the agency. The scope of PPA analysis spans the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis).

OPM’s Healthcare & Insurance (HI) program oversees the management of insurance benefits for more than 8 million Federal employees, retirees, and their families. The HI organization consolidates all of OPM’s healthcare and insurance responsibilities into a single organization. Existing responsibilities include Federal Employees Health Benefit Program (FEHBP), Federal Employee Group Life Insurance (FEGLI), Flexible Spending Account (FSA), Federal Long Term Care Insurance Program (FLTCIP), and Federal Employee Dental Vision Insurance Program (FEDVIP). The HI program also administers Multi-State Plan contracts which are offered to uninsured Americans through the Exchange under the authority

of the Affordable Care Act. PPA supports the Healthcare & Insurance program Affordable Care Act responsibilities by providing policy support, and actuarial and data analysis.

Performance Budget Request by Strategy, Organization and Fund–All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|-------------|
| Healthier Americans | | |
| 9.01 | | |
| Sponsor high quality, consumer friendly, affordable insurance products | \$35,103,147 | 77.9 |
| Planning & Policy Analysis | \$12,547,928 | 62.6 |
| Salaries & Expenses Appropriation | \$4,975,689 | 18.0 |
| TF Dental and Vision Benefits | \$271,000 | 1.2 |
| TF Limit - Annual | \$6,507,239 | 41.3 |
| Trust Fund Title V - Long Term Care | \$271,000 | 1.4 |
| Trust Fund-Title V | \$523,000 | 0.7 |
| Healthcare & Insurance | \$22,555,219 | 15.3 |
| Salaries & Expenses Appropriation | \$4,385,255 | 14.8 |
| TF Dental and Vision Benefits | \$16,061,625 | 0.0 |
| TF Limit - Annual | \$910,731 | 0.5 |
| Trust Fund Title V - Long Term Care | \$1,197,608 | 0.0 |
| 9.02 | | |
| Optimize insurance-related business processes | \$10,180,322 | 83.4 |
| Healthcare & Insurance | \$10,180,322 | 83.4 |
| Salaries & Expenses Appropriation | \$2,432,910 | 16.5 |
| TF Dental and Vision Benefits | \$716,376 | 5.8 |
| TF Limit - Annual | \$7,031,036 | 61.1 |
| 9.03 | | |
| Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans | \$1,452,796 | 10.3 |
| Healthcare & Insurance | \$1,452,796 | 10.3 |
| Salaries & Expenses Appropriation | \$1,103,556 | 7.6 |
| TF Limit - Annual | \$246,730 | 2.0 |
| Trust Fund Title V - Long Term Care | \$102,510 | 0.7 |
| 9.04 | | |
| Develop novel partnerships in support of population health | \$888,614 | 5.9 |
| Healthcare & Insurance | \$888,614 | 5.9 |
| Salaries & Expenses Appropriation | \$567,722 | 4.6 |
| TF Limit - Annual | \$95,371 | 0.7 |
| Trust Fund Title V - Long Term Care | \$225,521 | 0.6 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|--------------|
| 9.05 | | |
| Enhance outreach and health literacy | \$1,046,043 | 8.6 |
| Healthcare & Insurance | \$1,046,043 | 8.6 |
| Salaries & Expenses Appropriation | \$900,179 | 7.5 |
| TF Limit - Annual | \$43,353 | 0.3 |
| Trust Fund Title V - Long Term Care | \$102,511 | 0.8 |
| OPM Total | \$48,670,922 | 186.1 |

Strategy: 9.01 Sponsor high quality, affordable insurance products

Progress Indicator Statement:

Increase the percentage of states covered by at least one Multi-State insurance issuer and percentage of states covered by two or more Multi-State insurance issuers.

Increase the number of carriers receiving OPM “Exemplary” or “Most Improved” distinction for health care quality or customer service.

Improve overall satisfaction with health plan as reported by health plan enrollees in Consumer Assessment of Healthcare Providers and Systems (CAHPS).

Decrease the number of ineligible dependents on enrollee’s FEHB coverage.

Strategy Overview:

Sponsor high quality, consumer friendly, affordable insurance products by:

- Ensuring Multi-State Plans (MSP) and Federal Employees Health Benefits (FEHB) health plans cover the full range of Essential Health Benefits;
- Leveraging our experience in the FEHB and MSP programs to identify and implement best practices across the insurance portfolio;
- Providing responsive customer service to insured populations;
- Analyzing complaints and appeals to elucidate opportunities to better meet the needs of enrollees;
- Updating electronic consumer decision support and health plan selection tools to optimize enrollee choice; and
- Developing a comprehensive health plan assessment methodology that evaluates healthcare quality, customer service, and financial performance.

The offices of Planning and Policy Analysis (PPA) and Healthcare and Insurance (HI) collaborate to offer the Federal Employees Health Benefits (FEHB) Program along with other federal benefits programs to ensure Federal employees’ needs are met and available benefits align with best practices. Specifically, PPA provides policy guidance and actuarial support by reviewing the cost of contracts under Federal benefits programs, conducts rate negotiations with carriers, and determines the amount the Government contributes towards employees’ benefits. HI oversees federal benefits programs, which includes contracting with insurance carriers as well as operating an annual open season for federal employees and retirees to review and consider changing their current health, dental and vision benefit choices. Other federal benefits programs administered for federal employees include long term care insurance and the Federal Employees Group Life Insurance program. OPM is also authorized by the Affordable Care Act to offer FEHB and FEGLI coverage to tribes, tribal organizations and urban tribes; 10,000 are currently enrolled in FEHB plans.

In addition, OPM is the agency responsible for implementing and overseeing the Multi-State Plan Program (MSPP), authorized by the Affordable Care Act, to make health insurance available to uninsured

Americans. OPM contracts with health insurance issuers to offer health plans through the Health Insurance Marketplace (also known as the Affordable Insurance Exchange). There are currently over 150 Multi-State plan options available in 30 states plus the District of Columbia. PPA provides policy and actuarial support, while HI manages the Multi-State Plan program.

HI will complete the following activities in support of this strategy:

- Develop and operate systems to evaluate health insurance issuers applying to offer MSPs; to certify and re-certify MSPs for sale on the Marketplace; and to transfer MSP data to the State-Based, Partnership, and Federally facilitated Marketplaces;
- Develop and operate a new automated system to handle consumer and issuer appeals; and
- Monitor MSP contractor performance and quality.

OPM conducts evaluations of public and private sector organizations' benefit survey results. These results are used to ensure Federal benefits are consistent with those offered by private and other public sectors organizations. Additionally, the information is used to identify opportunities for enhancing benefit offerings for Federal employees. Ongoing analyses are conducted through various OPM surveys. Furthermore, benefit options are communicated to potential candidates and current employees to make certain they understand the flexibilities and benefits available to them. PPA provides benefits policy guidance based on these evaluations and also collects, maintains and analyzes healthcare data on an ongoing basis. This data is derived from health claims under the FEHB Program and includes drug utilization from pharmacy benefit managers. PPA will continue building out the Health Claims Data Warehouse which will be used to conduct evaluations of health conditions, especially chronic conditions, across health plans. The data will also be used to support PPA's actuarial, demographic, economic and statistical analyses.

PPA will assess results of Affordable Care Act requirements on FEHB programs, such as impact of employer shared responsibility requirements. PPA will also implement changes as a result of the legislative program on FEHB modernization, including regional contracting with health plans, contracting for pharmacy management services, changing rate setting to accommodate self plus one enrollment options; adding domestic partner benefits and wellness incentive programs.

Anticipated FY 2015 Accomplishments:

The following activities will be completed in support of this strategy:

- MSPs will become available for purchase in at least 36 States;
- OPM will contract with at least one additional health insurance issuer and will certify MSPs offered by that issuer;
- OPM will renegotiate and renew contracts with existing MSP issuers and re-certify their MSPs for the 2015 plan year;
- MSPs that did not initially cover the entire population of a particular State will begin to expand to cover additional service areas within those States;

- Working with insurance carriers to negotiate the best rates and value of benefits;
- Advancing cost management such as lowering overall pharmacy growth and specialty drug trend;
- Improving health care quality through comprehensive wellness programs, preventive care and care condition management techniques;
- Expanding the Multi-State Plan program by adding new plans, new states and a second contracted MSP to this program. The MSP will also provide coverage in additional states and geographic areas within states;
- Continued formal consultation with tribes, tribal organizations and urban tribes;
- Expansion of tribal enrollment by ten percent;
- Developing systems that support tribal employees' enrollment in the FEGLI program; and
- Accessing the Health Claims Data Warehouse to conduct cost and utilization analysis.

Implementation Organizations:

Healthcare and Insurance and Planning and Policy Analysis

Implementation Considerations:

PPA Roles:

- Development of health claims data warehouse (HCDW);
- Working with insurance carriers to negotiate the best premium rates;
- Rigorous evaluations of health-related issues affecting Federal employees and retirees;
- Federal employee benefits survey;
- PPA's Office of the Actuary will conduct rate review and rate certification for health issuers under agreements with OPM to offer Multi-State plans;
- PPA will provide support for external review of health issuer decisions on health claims for MSP enrollees;
- PPA will begin to assess Multi-State Plans performance through analyses of MSP health claims data and other information;
- Evaluating the impact of tribal enrollment on the program to ensure there is an equitable distribution of claims cost experience reflected in FEHB premiums;
- Developing and implementing a Tribal Enrollment Assessment Survey to evaluate enrollee's perception on the ease and satisfaction of the tribal health benefits enrollment process; and
- Continue building out the Health Claims Data Warehouse for the purpose of gathering enrollment data on tribal employees. The data will be used to conduct evaluations of health conditions, especially chronic conditions, across health plans. The data will also be used to support PPA's actuarial, demographic, economic and statistical analyses.

HI Roles:

- Working with insurance carriers to negotiate the best value of benefits;
- Reevaluating the metrics with which OPM measures health carrier contract performance;
- Advancing cost management such as lowering overall pharmacy growth and specialty drug trend;
- Continuing the Going Green initiative;
- Improving health care quality through comprehensive wellness programs, preventive care, and care condition management techniques;
- Maintaining strong outreach programs for employees, retirees and agencies and continuously working to improve products and services;
- Continuing to include new carriers and plan choices in Federal Employees Health Benefits (FEHB) and Federal Employees Dental and Vision Insurance Program (FEDVIP) to provide enrollees with variety and value;
- Develop and operate systems to evaluate health insurance issuers applying to offer MSPs; to certify and re-certify MSPs for sale on the Marketplace; and to transfer MSP data to the State-Based, Partnership, and Federally facilitated Marketplaces;
- Develop and operate an automated system to handle consumer and issuer appeals;
- Conduct audits of MSP performance and quality;
- Support review of MSPP issuer applications (including financial condition and solvency, health plan management, healthcare delivery systems, administration and systems);
- Negotiate all aspects of the contracts with the MSPP issuers including benefits and rates;
- Ensure all agreed upon contractual provisions are adhered to
 - Monitor performance of critical contract requirements against performance standards;
 - Offering outreach, training and educational opportunities for tribal employees and employers; and
 - Developing and implementing a Tribal Enrollment Assessment Survey to evaluate enrollee's perception on the ease and satisfaction of the tribal health benefits enrollment process.

| | FY 2015 CBJ | |
|---|---------------------|-------------|
| STRATEGIC GOAL/STRATEGY | Dollars | FTE |
| Healthier Americans | | |
| 9.01 | | |
| Sponsor high quality, consumer friendly, affordable insurance products | \$35,103,147 | 77.9 |
| Planning & Policy Analysis | \$12,547,928 | 62.6 |
| Salaries & Expenses Appropriation | \$4,975,689 | 18.0 |
| TF Dental and Vision Benefits | \$271,000 | 1.2 |
| TF Limit - Annual | \$6,507,239 | 41.3 |
| Trust Fund Title V - Long Term Care | \$271,000 | 1.4 |
| Trust Fund-Title V | \$523,000 | 0.7 |
| Healthcare & Insurance | \$22,555,219 | 15.3 |
| Salaries & Expenses Appropriation | \$4,385,255 | 14.8 |
| TF Dental and Vision Benefits | \$16,061,625 | 0.0 |
| TF Limit - Annual | \$910,731 | 0.5 |
| Trust Fund Title V - Long Term Care | \$1,197,608 | 0.0 |
| OPM Total | \$35,103,147 | 77.9 |

| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 |
|--|-----------------|-----------------|------------------------------|------------------------------|---------------------------------|---------------------------------|
| Performance Measures | Result | Result | Result | Result | Target | Target |
| Percent increase in FEHB premiums less than or equal to private sector premium increases for comparable benefits | 7.3% | 3.8% | 3.4% | 3.7% | ≤ Industry Trend | ≤ Industry Trend |
| Percent of FEHBP enrollees satisfied vs. health industry standard | FEHBP 77% | FEHBP 76% | FEHBP 78% | FEHBP 79.2% | FEHBP ≥ Industry Standard | FEHBP ≥ Industry Standard |
| | Industry 63% | Industry 64% | Industry 66% | Industry 65.3 % | | |
| Percent of health benefits claims processed within 30 working days | 99% | 98% | 97% | | | |
| Average number of days to pay Federal Employees Group Life Insurance claims | 4.3 | 4.4 | 4.2 | 3.91 | <10 day industry standard | <10 day industry standard |
| Percent of Federal Long Term Care Insurance Program customers satisfied with overall customer service | 93% | 92% | 91% | | | |
| FEHBP prescription drug cost growth as a percentage of the private sector industry average.* | N/A | N/A | Industry trend of 8% 5.6% | Industry trend of 8% 4.4% | ≤ industry trend | ≤ industry trend |

* New measure N/A--no historical data available for these periods

Strategy: 9.02 Optimize insurance related business processes

Progress Indicator Statement:

Keep year over year increases in FEHB and Multi-State premium rates below industry averages.

Increase the percentage of IG audit findings that are closed within 180 days.

Strategy Overview:

Optimize insurance related business processes by:

- Effectively managing contracts with insurance carriers/issuers to promote choice, customer service, access to care, healthcare quality, and market competition;
- Fostering productive relationships with State Insurance Regulators, Exchange Officials, State elected officials and legislators, entities;
- Modernizing IT platforms to facilitate transactions (applications, benefits negotiations, recertification); and
- Ensuring accountability through timely audit resolution.

Under Section 1334 of the Affordable Care Act (ACA), OPM is the agency responsible for implementing and overseeing the Multi-State Plans (MSPs). These plans are subject to many Federal and State laws and regulations in addition to OPM regulations, guidance, and contract provisions. Unlike the FEHB, the MSP program does not include a pre-emption of State law and MSPs will generally be subject to State insurance laws and regulations. Also, the benefits and rates for each MSP will vary State by State. For the MSP program to be successful, OPM will need to work closely and on a continuing basis with State Departments of Insurance and Exchanges. This is a new program and OPM is incurring significant start-up costs. The inter-agency effort to implement and administer Exchanges is continually evolving and program and IT system requirements are being developed and adjusted over time. The offices of Planning and Policy Analysis (PPA) and Healthcare and Insurance (HI) are collaborating to implement the ACA. PPA provides policy and actuarial support for ACA, while HI manages the Multi-State Plan program. HI will conduct continual outreach to State departments of insurance, and the Health Insurance Marketplace, in all 50 States and the District of Columbia to negotiate operational and policy issues concerning MSPs, to monitor MSP compliance with State laws and regulations, and also to make sure MSPs provide quality and affordable health insurance options for individuals, families, and small businesses without disrupting the State health insurance market;

OPM has administered the FEHB Program since 1959 using a decentralized enrollment system with delegated responsibility to carriers to validate coverage for dependents. OPM believes a new centralized system to conduct dependent audits that verify enrollment eligibility will enhance accountability and cost-effectiveness.

OPM works closely with the OPM Office of Inspector General (OIG) which conducts audits of FEHB carriers. The OIG conducts onsite and desk audits of carriers and issues preliminary audit findings and

draft and final audit reports. HI's contracting officers review these reports and negotiate with FEHB carriers to resolve the audit issues. HI is currently focusing on improving timeliness in the audit reconciliation process.

Anticipated FY 2015 Accomplishments:

- OPM will convene an MSP Advisory Board to evaluate and make recommendations on important issues related to the MSP Program;
- OPM will begin the project plan to enhance and expand the review of dependent coverage under the FEHB Program; and
- OPM will Increase the percentage of IG audit findings that are closed within 180 days.

Implementation Organizations:

Healthcare and Insurance and Planning and Policy Analysis

Implementation Considerations:

PPA Roles:

- PPA will collect, maintain and analyze healthcare data on an ongoing basis. This data will be derived from health claims under the Federal Employees Health Benefits (FEHB) Program and will include drug utilization from pharmacy benefit managers.
- PPA will conduct research on the claims data and produce reports which allow OPM and agencies to focus programs to enhance the productivity of their workforces. Additionally, a survey will be conducted of Federal employees to evaluate employee perceptions on the value and importance of benefit programs and whether they meet their needs.
- PPA will assess results of Affordable Care Act requirements on FEHB programs, such as impact of employer shared responsibility requirements.
- PPA will also implement changes as a result of the legislative program on FEHB modernization, including regional contracting with health plans, contracting for pharmacy management services, changing rate setting to accommodate self plus one enrollment options; adding domestic partner benefits and wellness incentive programs.
- PPA will continue to provide health policy support for HI.

HI Roles:

- Continuing to include new carriers in Federal Employees Health Benefits (FEHB) and Federal Employees Dental and Vision Insurance Program (FEDVIP) to provide enrollees with variety and value;
- Begin the strategic planning to replace "FEHB2000" with a new system called "Benefits Plus" that will be used to assist Federal employees and retirees in identifying the benefits they need at the lowest cost, which is expected to save enrollees millions of premium dollars each year;
- Conduct continual outreach to State Departments of Insurance, and the Health Insurance Marketplace, in all 50 States and the District of Columbia to negotiate operational and policy

issues concerning MSPs, to monitor MSP compliance with State laws and regulations, and also to make sure MSPs provide quality and affordable health insurance options for individuals, families, and small businesses without disrupting the State health insurance market;

- Research and maintain detailed knowledge of State benefits, rating, and network adequacy laws and requirements for all 50 States and the District of Columbia to allow us, among other things, to accurately negotiate premiums for MSPs on a State-by-State basis and ensure a level playing field;
- Collaborate with State-level stakeholders in the health care community in all 50 States and the District of Columbia to establish best practice to implement the ACA; and
- Conduct outreach to consumers in all 50 States and the District of Columbia to promote the MSPs.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|---------------------|-------------|
| Healthier Americans | | |
| 9.02 | | |
| Optimize insurance-related business processes | \$10,180,322 | 83.4 |
| Healthcare & Insurance | \$10,180,322 | 83.4 |
| Salaries & Expenses Appropriation | \$2,432,910 | 16.5 |
| TF Dental and Vision Benefits | \$716,376 | 5.8 |
| TF Limit - Annual | \$7,031,036 | 61.1 |
| OPM Total | \$10,180,322 | 83.4 |

Strategy: 9.03 Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans

Progress Indicator Statement:

Increase influenza immunization rates, reported as Flu Shots for Adults in Consumer Assessment of Healthcare Providers and Systems (CAHPS) Effectiveness of Care Measures.

Improve timeliness of prenatal care as reported by health plans in Healthcare Effectiveness Data and Information Set (HEDIS).

Strategy Overview:

Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans by:

- Benefits, occupational health resources, and employee wellness programs;
- Improving access to and timeliness of prenatal care; and
- Increasing awareness and use of health insurance benefits for tobacco cessation.

Planning Policy and Analysis (PPA) and Healthcare and Insurance (HI) provide guidance to contracted health plans on health policies, including focus on particular patient segments based on rigorous assessments. PPA conducts evaluations of benefits programs, including an assessment of the impact of comprehensive tobacco cessation on health claims costs, utilization of expanded preventive services coverage, and the impact of pharmacy management techniques on costs. Survey data is collected and used to determine the costs and benefits due to changes in the benefit, compared to previous utilization and coverage offered by each of the plans. OPM uses this information to conduct long term impact analyses, including averted costs and savings. PPA also administers the Federal Employee Benefits Survey and collects data from Federal employees on their perceptions of their benefits, including awareness of tobacco cessation benefits. HI uses these survey results in the contract negotiations with FEHB carriers on providing outreach to members on the awareness of this important benefit which is aimed at avoiding or reducing current and future healthcare services to treat the impact of tobacco use on the human condition. HI conducts customer satisfaction surveys using the Consumer Assessment of Healthcare Providers and Systems (CAHPS). FEHB carriers are expected to use this data to improve the population health of their members, to expand their customer service relations and to demonstrate that they are offering good value to their membership. HI also requires FEHB carriers to use the health plan quality tool under HEDIS to provide evidence of their quality performance metrics. HI uses the annual results from this tool to negotiate with health plans on improvement of population health and to demonstrate to consumers how their health plans score on healthcare quality.

Anticipated FY 2015 Accomplishments:

- Increasing influenza immunization rates through optimal use of health insurance benefits, occupational health resources, and employee wellness programs;

- Improving access to and timeliness of prenatal care;
- Increasing awareness and use of health insurance benefits for tobacco cessation; and
- NHO issues an annual call letter stating MSP Program goals; these include assuring the MSP coverage designs maintain a strong preventive care focus.

Implementation Organizations:

HI, PPA, and ES

Implementation Considerations:

HI Roles:

- Improving health care quality through comprehensive wellness programs, preventive care, and care condition management techniques.

PPA Roles:

- PPA administers the Federal Employee Benefits Survey.

ES Roles:

- Assist agency work-life coordinators in increasing awareness of and participation in preventative worksite wellness programs, such as tobacco cessation, worksite lactation, physical activity programs, EAPs, etc.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|------------------------|-------------|
| Healthier Americans | | |
| 9.03 | | |
| Improve preventive services delivery to employees, retirees, families, tribal employees, and newly insured Americans | \$1,452,796 | 10.3 |
| Healthcare & Insurance | \$1,452,796 | 10.3 |
| Salaries & Expenses Appropriation | \$1,103,556 | 7.6 |
| TF Limit - Annual | \$246,730 | 2.0 |
| Trust Fund Title V - Long Term Care | \$102,510 | 0.7 |
| OPM Total | \$1,452,796 | 10.3 |

Strategy: 9.04 Develop novel partnerships in support of population health

Progress Indicator Statement:

Lower Federal employee tobacco use rates as reported in the Federal Employee Benefits Survey.

Strategy Overview:

Develop novel partnerships in support of population health by:

- Prioritizing healthy workforce aims in the Chief Human Capital Officers Council, union negotiations, labor-management forums, and interactions with consumer advocates;
- Promoting tobacco free workplaces;
- Collaborating with Substance Abuse and Mental Health Services Administration to promote awareness of mental health and Employee Assistance resources available to Federal Employees;
- Working with the General Services Administration to create a standard contract clause to promote healthy behaviors among embedded contractors; and
- Engaging with Government agencies and private industry leaders to promote wellness in the work environment through healthy meal and vending choices, safe stairs and walking paths, inclusion of bicycle sharing in transportation subsidies, etc.

Worksite wellness programs are designed to cover all aspects of worksite wellness including the effectiveness and efficiency of health and wellness interventions, benefits, costs, outreach, absenteeism, employee morale, and other outcomes, including the impact of improved health on productivity. OPM is expanding wellness services offered by FEHB plans by requiring the use of health risk assessments and encouraging the introduction of effective preventive care and wellness services for targeted populations. OPM intends to leverage these new benefit programs by ensuring other Federal agencies are aware and promote these benefits as they develop educational and informational materials for the population health programs that they administer. OPM assesses use of and satisfaction with wellness, telework, and other work/life programs through the Federal Employee Viewpoint Survey. Survey results are disseminated throughout the federal Government and used as the basis for federal agency action plans. PPA will conduct research on the claims data and produce reports which allow OPM and agencies to focus programs to enhance the productivity of their workforces. Additionally, a survey will be conducted of Federal employees to evaluate employee perceptions on the value and importance of benefit programs and whether they meet their needs.

Anticipated FY 2015 Accomplishments:

- Prioritizing healthy workforce aims in the Chief Human Capital Officers Council, union negotiations, labor-management forums, and interactions with consumer advocates;
- Promoting tobacco free workplaces;
- Collaborating with Substance Abuse and Mental Health Services Administration to promote awareness of mental health and employee assistance resources available to Federal employees;

- Working with the General Services Administration to create a standard contract clause to promote healthy behaviors among embedded contractors; and
- Engaging with Government agencies and private industry leaders to promote wellness in the work environment through healthy meal and vending choices, safe stairs and walking paths, inclusion of bicycle sharing in transportation subsidies, etc.

Implementation Organizations:

HI and PPA

Implementation Considerations:

HI and PPA:

- Promoting benefits awareness through interagency education programs and use of social media.

ES:

- Collaborate with GSA, HHS (Center for Disease Control, National Institutes of Health, and Substance Abuse and Mental Health Services Administration), DOL, other Federal agencies and expert health organizations to promote a healthier workplace for all Federal employees.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|---------------------|------------|
| Healthier Americans | | |
| 9.04 | | |
| Develop novel partnerships in support of population health | \$888,614 | 5.9 |
| Healthcare & Insurance | \$888,614 | 5.9 |
| Salaries & Expenses Appropriation | \$567,722 | 4.6 |
| TF Limit - Annual | \$95,371 | 0.7 |
| Trust Fund Title V - Long Term Care | \$225,521 | 0.6 |
| OPM Total | \$888,614 | 5.9 |

Strategy: 9.05 Enhance outreach and health literacy

Progress Indicator Statement:

Increase enrollment in FSAFeds.

Strategy Overview:

Enhance outreach by:

- Ensuring Federal agency benefits officers are well informed about insurance programs;
- Targeting use of Direct to Enrollee/Direct to Retiree Emails regarding Open Season and key benefits topics;
- Communicate to employees across all OPM platforms, including USAJOBS, USAStaffing[®], Retirement ServicesOnline, EmployeeExpress, and OPM.gov;
- Targeting agencies by enrollment to deliver educational seminars on Flexible Spending Accounts and insurance benefits, and
- Developing outreach strategy and implementing educational sessions to Indian Tribes on FEHBP.

OPM works with agency benefits officers to provide education and information to agency employees on Federal benefits. OPM conducts periodic seminars and conducts benefits training for benefits officers. PPA and HI have also begun to implement direct to consumer communications to inform employees and retirees about Open Season and key benefit topics. HI also produces benefit webinars to make employees aware of new or emerging benefit topics. HI also provides information and outreach for tribes, tribal organizations and urban tribes on the availability of health insurance coverage through the FEHB Program. Additionally, PPA's survey on Federal Employee Benefits is used to evaluate employee perceptions on the value and importance of benefit programs and whether they meet their needs. The results from this survey are then used to enhance and expand OPM outreach activities, such as to improve awareness of the tax benefits available through FSAFeds.

Anticipated FY 2015 Accomplishments:

- Ensuring Federal agency benefits officers are well informed about insurance programs;
- Targeting use of Direct to Enrollee/Direct to Retiree Emails regarding Open Season and key benefits topics;
- Communicate to employees across all OPM platforms including USAJOBS, USAStaffing, Retirement Services Online, Employee Express, and OPM.gov;
- Targeting agencies by enrollment to deliver educational seminars on Flexible Spending Accounts and insurance benefits;
- Develop outreach strategy and implement educational sessions for Indian Tribes on FEHB;
- Complete the development of the new "Benefits Plus" system that will assist Federal employees and retirees in identifying the benefits they need at the lowest cost. This includes: development

of a new Plan Comparison Tool that adds functionality to the “Benefits Plus” to enhance consumer experience in evaluating health plans; and

- Promote benefits awareness through interagency education programs and use of social media. Maintaining strong outreach programs for employees, retirees and agencies and continuously working to improve products and services.

Implementation Organizations:

HI, PPA, and ES

Implementation Considerations:

PPA:

- Provide actuarial, demographic, economic or statistical analysis as well as responses to information request from Health and Human Services.

HI:

- Promote benefits awareness through interagency education programs and use of social media;
- Maintain strong outreach programs for employees, retirees and agencies and continuously working to improve products and services;
- Begin the strategic planning to replace “FEHB2000” with a new system called “Benefits Plus” that will be used to assist Federal employees and retirees in identifying the benefits they need at the lowest cost, which is expected to save enrollees millions of premium dollars each year;
- Establish in-house customer service channels;
- Ensure that enrollees' costs are controlled by limiting charges from the National Finance Center to incurred charges instead of charges based on estimated enrollments;
- Provide actuarial, demographic, economic or statistical analyses of and responses to information requests from the Department of Health and Human Services;
- Continue to develop the Health Claims Data Warehouse for the purpose of gathering enrollment data. The data will be used to conduct evaluations of health conditions, especially chronic conditions, across health plans. The data will also be used to support PPA’s actuarial, demographic, economic and statistical analyses; and
- Promote benefits awareness through interagency education programs and use of social media.

ES:

- Assist agency wellness and EAP coordinators in finding, developing, and marketing engaging information, tools, and resources to Federal employees.

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|------------|
| Healthier Americans | | |
| 9.05 | | |
| Enhance outreach and health literacy | \$1,046,043 | 8.6 |
| Healthcare & Insurance | \$1,046,043 | 8.6 |
| Salaries & Expenses Appropriation | \$900,179 | 7.5 |
| TF Limit - Annual | \$43,353 | 0.3 |
| Trust Fund Title V - Long Term Care | \$102,511 | 0.8 |
| OPM Total | \$1,046,043 | 8.6 |

Additional Government-wide Mandated or Compliance Functions Supported by OPM

In addition to its major program-related activities, OPM has included in its budgetary request funds to cover executive direction and leadership, legal advice, and representation, public affairs, legislative liaison, and equal employment opportunity management. Funding for these activities will be used to ensure OPM has the means to meet its goals and objectives. Additionally, the OPM budget request includes resources needed to administer these activities that are external to the agency's mission.

Performance Budget Request by Strategy, Organization and Fund--All Resources

| OPM Budget Authority | FY 2015 CBJ Dollars | FTE |
|--|------------------------|--------------|
| Additional Government-wide Mandated or Compliance Function Supported by OPM | | |
| Direct customer-facing program activities have components that do not directly support a Goal or Strategy | \$28,345,630 | 160.9 |
| Chief Human Capital Officer Council | \$108,012 | 0.9 |
| Advances & Reimbursements To S&E | \$108,012 | 0.9 |
| Chief Information Officer | \$3,500,966 | 10.0 |
| Information Technology Funding | \$3,500,966 | 10.0 |
| Communications & Public Liaison | \$916,001 | 7.4 |
| Common Services | \$916,001 | 7.4 |
| Employee Services | \$13,267,683 | 84.0 |
| Salaries & Expenses Appropriation | \$13,267,683 | 84.0 |
| Equal Employment Opportunity | \$902,000 | 9.0 |
| Common Services | \$902,000 | 7.0 |
| RF - Revolving Fund Direct | \$0 | 2.0 |
| Executive Secretariat & Ombudsman | \$148,693 | 0.9 |
| Common Services | \$148,693 | 0.9 |
| Federal Prevailing Rate Advisory Committee | \$109,500 | 0.5 |
| Salaries & Expenses Appropriation | \$109,500 | 0.5 |
| Office of the Director | \$798,289 | 4.0 |
| Common Services | \$798,289 | 4.0 |
| Planning & Policy Analysis | \$3,019,919 | 20.5 |
| Salaries & Expenses Appropriation | \$3,019,919 | 20.5 |
| White House Fellows | \$772,000 | 4.0 |
| Salaries & Expenses Appropriation | \$772,000 | 4.0 |

| OPM Budget Authority | FY 2015 CBJ Dollars | FTE |
|---|----------------------------|--------------|
| Merit System Accountability & Compliance | \$3,533,059 | 9.3 |
| Advances & Reimbursements To S&E | \$2,112,533 | 0.0 |
| Salaries & Expenses Appropriation | \$1,420,526 | 9.3 |
| Congressional, Legislative and Intergovernmental Affairs | \$1,269,508 | 10.4 |
| Common Services | \$1,269,508 | 10.4 |
| OPM Total | \$28,345,630 | 160.9 |

Note: Salary & Expenses (includes No-year)

Note: Does not include Advances & Reimbursements funding for CHCO and Voting Rights

Communications and Public Liaison

The Communications and Public Liaison (CPL) Office coordinates a comprehensive effort to inform the public of the President and Director’s goals, plans, and activities through various media outlets. CPL also provides the American public, Federal agencies and its stakeholders with accurate information to aid in planning and decision-making. Lastly, CPL plans and coordinates all printed materials generated by OPM as well as develops briefing materials for Congress, the Director and other OPM officials.

Congressional, Legislative and Intergovernmental Affairs

Congressional, Legislative and Intergovernmental Affairs (CLIA) serve as the principal liaison with Congressional Committees, Members of Congress, and their staffs. CLIA also works with the White House Legislative Affairs and the Office of Management and Budget to coordinate the Administration’s position on matters under OPM’s jurisdiction. CLIA is responsible for staffing Congressional hearings, meetings, and briefings; commenting on legislative documents; drafting testimony and legislation; responding to Congressional inquiries in a timely fashion, and developing outreach activities to educate Congressional staff on OPM programs. CLIA also serves as OPM’s principle interface with state, local, and tribal governments and ensures OPM meets requirement for tribal consultations.

Equal Employment Opportunity

The Equal Employment Opportunity (EEO) Office is responsible for providing agency employees with a fair, legally correct and expedient EEO Complaints processing program and management and coordination of OPM’s Affirmative Employment and Diversity Program. The office is measured by its ability to provide quality services according to timelines established by Federal EEO statues and regulations and by documenting OPM’s efforts and accomplishments in achieving a model EEO Program.

Federal Prevailing Rate Advisory Committee

The Federal Prevailing Rate Advisory Committee (FPRAC) studies the prevailing rate system and other matters pertinent to the establishment of prevailing rates under subchapter IV of chapter 53 of title 5, United States Code, and advises the Director of OPM on the Government-wide administration of the pay system for blue-collar Federal employees. Moreover, FPRAC is the statutory (5 U.S.C.5347) labor-

management committee responsible for advising the Director of OPM about the pay system that covers approximately 230,000 blue collar Federal workers.

Merit Systems Accountability & Compliance--Combined Federal Campaign

The mission of the CFC is to promote and support philanthropy through a program that is employee focused, cost-efficient, and effective in providing all Federal employees the opportunity to improve the quality of life for all. CFC is the largest and most successful annual workplace charity campaign, with approximately 160 CFC campaigns throughout the country and internationally to help raise millions of dollars each year. Pledges made by Federal civilian, postal and military donors during the campaign season (September 1st to December 15th) support eligible non-profit organizations that provide health and human service benefits throughout the world. The CFC staff reviews all new applicants wishing to participate as a national or international charity or as part of a federation and reviews a sample of nearly 2,800 national or international charities who reapply each year.

Merit Systems Accountability & Compliance--Federal Voting Rights

The Voting Rights Act of 1965, requires OPM to provide trained Federal observers to cover political subdivisions (counties, cities, etc. as determined by the Attorney General) to monitor and report on those elections designated by the Attorney General. The Act is designed to prevent voting qualifications or practices that deny or abridge a citizen's right to vote because of race, color, or language. The Act's framers assigned the observer function to OPM because the Department of Justice (DOJ) must rely on a neutral third-party witness when litigating against non-compliant jurisdictions. Currently, DOJ reimburses OPM for direct costs associated with the deployment of observers (ranging from \$1 million to \$4 million annually). OPM funds essential program management functions carried out by 5 full-time staff members and indirect costs associated with observer deployment program through direct S&E appropriations.

Office of the Director (OD)

The OD provides guidance, leadership and direction necessary to make the Federal Government the model employer in the United States, with OPM as the model agency.

- **Background Investigations** – With over 2.2 million background investigative products completed each year, and an increasing number of Top Secret investigative requests, OPM will need to keep a clear focus to continue to meet OPM's 40-day timeline for the fastest 90 percent of initial background investigations.
- **Diversity and Inclusion** – OPM will continue to coordinate efforts aimed at increasing diversity and inclusion in the Federal Government. These efforts will help employees of all backgrounds contribute to their fullest potential, assuring that employees and applicants are measured by how well they do the job – and nothing else.
- **Performance Management** – Taking lessons learned from the pilot projects under the Goals, Engagement, Accountability and Results (GEAR) framework, OPM will help agencies better

engage with their employees to boost performance, to align individual goals with agency goals, to hold poor performers accountable, and to get the best results for the American people.

Office of the General Counsel

The Office of the General Counsel's (OGC) functions and responsibilities are to provide expert legal advisory and litigation services to the Director, Deputy Director and officials of OPM. OGC also provides legal advice, assistance and expertise to officials of the Department of Justice in their representation of OPM's interests in the Federal courts, other Government agencies in carrying out their civil service responsibilities, and Federal employees in meeting their merit systems role. OGC also provides civil service related legal assistance to members of the public, as needed, to serve fairly and professionally the American people. OGC works closely with senior officials and program offices of OPM to initiate and implement policy, to ensure that the programs are administered lawfully, and to represent the programs in all types of advocacy settings. OGC attorneys provide assistance to our clients in the resolution of human resource issues and problems that, in turn, affect the manner in which the Government provides services to its citizens.

President's Commission on White House Fellows

The White House Fellows program (WHF) was established under Executive Order 11183. The Executive Order requires OPM to provide administrative assistance to the President's Commission on White House Fellows. This program is responsible for providing gifted and highly motivated Americans with firsthand experience in the process of governing the Nation and a sense of personal involvement in the leadership of society. This program attracts a broad range of qualified applicants and participants who receive valuable leadership development and public service opportunities

Enabling Structural Capacity Functions of OPM

In addition to its mission-related programs, OPM has also included in its budgetary request funds to cover information technology, contracting, facilities and security; financial management; and overhead functions. Funds for these activities will be used to ensure OPM has the means to meet its goals and objectives.

Performance Budget Request by Strategy, Organization and Fund—All Resources

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|--|------------------------|--------------|
| Enabling Structural Capacity Functions of OPM | | |
| Indirect or internal-facing programs | \$116,202,805 | 440.7 |
| Communications & Public Liaison | \$942,939 | 5.1 |
| Common Services | \$942,939 | 5.1 |
| Employee Services | \$3,700,186 | 27.7 |
| Common Services | \$2,209,309 | 13.2 |
| RF - Revolving Fund Direct | \$0 | 7.0 |
| Salaries & Expenses Appropriation | \$1,490,877 | 7.5 |
| Facilities, Security & Contracting | \$11,406,577 | 100.9 |
| Common Services | \$10,813,577 | 56.4 |
| RF - Revolving Fund Direct | \$0 | 39.5 |
| Salaries & Expenses Appropriation | \$593,000 | 5.0 |
| Federal Prevailing Rate Advisory Committee | \$109,500 | 0.5 |
| Salaries & Expenses Appropriation | \$109,500 | 0.5 |
| HR Solutions | \$21,490,431 | 16.5 |
| RF - Training Services (HRS) | \$21,490,431 | 16.5 |
| Office of Diversity and Inclusion | \$97,084 | 1.1 |
| Salaries & Expenses Appropriation | \$97,084 | 1.1 |
| Office of the Chief Financial Officer | \$19,039,971 | 98.1 |
| Common Services | \$11,317,686 | 50.8 |
| TF Limit - Annual | \$7,722,285 | 47.3 |
| Office of the Director | \$718,289 | 4.0 |
| Common Services | \$718,289 | 4.0 |
| Office of the General Counsel | \$3,603,000 | 20.0 |
| Common Services | \$3,603,000 | 20.0 |
| Office of the Inspector General | \$25,724,000 | 145.0 |
| OIG Salaries & Expenses | \$4,384,000 | 19.0 |
| OIG TF Limit - Annual | \$21,340,000 | 126.0 |

| STRATEGIC GOAL/STRATEGY | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|--------------|
| Rent & Centrally Funded Items | \$26,321,000 | 0.0 |
| Common Services | \$378,000 | 0.0 |
| Salaries & Expenses Appropriation | \$9,753,000 | 0.0 |
| TF Limit - Annual | \$16,190,000 | 0.0 |
| Merit System Accountability & Compliance | \$1,671,544 | 8.7 |
| Common Services | \$1,287,000 | 7.7 |
| Salaries & Expenses Appropriation | \$384,544 | 1.0 |
| Congressional, Legislative and Intergovernmental Affairs | \$644,602 | 5.6 |
| Common Services | \$644,602 | 5.6 |
| Executive Secretariat | \$733,682 | 7.5 |
| Common Services | \$733,682 | 7.5 |
| OPM Total | \$116,202,805 | 440.7 |

Note: Salary & Expenses (includes No-year)

Chief Information Officer

The Office of the Chief Information Officer (CIO) provides strategic information technology leadership within OPM and provides OPM program offices with the full range of infrastructure and information management services that enable OPM to build mission capacity. The CIO maintains the agency information technology infrastructure that is the backbone of OPM's business and management applications. The CIO mission also includes providing leadership to Government-wide HR systems and support for E-Government initiatives. CIO services provide solutions to all of OPM's programs and CIO partners with internal and external stakeholders to ensure mission success.

In addition to the above, CIO is responsible for the day-to-day operations of OPM's technology infrastructure including: data centers, enterprise applications, data and voice communications, data networks, computer support, mobile device support, and server and mainframe computers. To put the CIO mission into perspective, the CIO is responsible for the day-to-day operations of OPM's technology infrastructure and runs the systems that handled 125 million emails, processed \$56 billion in payment transactions, prevented 60 million network intrusions, and managed 4.456 million new and archived Federal investigations in FY 2012.

Facilities, Security and Contracting

Facilities, Security and Contracting (FSC) provide a broad range of support services to help the agency achieve its mission and is made up of three components including the: Facilities Division, Security Division and Contracting Division. The Facilities Division operates and maintains the OPM headquarters building under the authority delegated by the General Services Administration and provides policy and administrative guidance for OPM's other Federal owned and leased facilities nationwide. The Security Division is responsible for OPM's Continuity of Operations activity and Occupant Emergency Programs.

Lastly, the Contracting Division performs all pre-award and post-award procurement actions in support of OPM's mission and goals.

Office of the Chief Financial Officer

The Chief Financial Officer (CFO) manages all OPM financial activities and provides OPM program offices with a full range of financial management services and support in the following major areas: accounting, budget, and financial systems. Moreover, CFO ensures continued stewardship over OPM's financial resources and executes activities and processes that support efforts to maintain a clean audit opinion. With an integrated effort from CFO organizations including: Financial Services, Budget & Performance, Financial Systems Management, Projects & Initiatives, Policy & Internal Control, and Travel Operations, CFO leads OPM program offices in the effective management of agency resources and delivers services and tools that allow our customers the ability to make well informed financial business decisions.

Merit Systems Accountability & Compliance (Internal Oversight & Compliance)

Merit Systems Accountability & Compliance (Internal Oversight and Compliance (IOC)) drives the resolution of audit recommendations, conducts program evaluations, and oversees the review of capital investments to strengthen OPM's risk management and operational performance. IOC staff focuses a significant amount of time on closing existing audit recommendations to strengthen OPM programs and reduce the backlog. OPM programs need our advice and assistance in responding to audit requirements, developing corrective action plans, and in working with oversight organizations to resolve issues and clarify expectations. The Director relies on IOC to alert her to operational weaknesses or failures that could impact OPM's ability to meet its mission, goals, and objectives.

Office of the Executive Secretariat

Office of the Executive Secretariat (ESO) serves as OPM's interface with OMB and ensures timely submission of Federal Register notices. Executive correspondence, policy and decision packages are coordinated with program offices and senior staff to ensure appropriate approval, posting and handling. Additionally, the Executive Secretariat provides essential resource management and administrative support to executive program offices. The Executive Secretariat's international affairs program addresses requests from the State Department and foreign Governments.

The Executive Secretariat serves as OPM's interface OMB and external entities and is responsible for the administrative support of the Office of the Director. ESO's functions include:

- ESO coordinates OPM international affairs activities and contacts, addressing requests from the State Department and foreign Governments;
- Analyzes and routes incoming correspondence from the White House, congressional offices, other agencies, and the public;

- Coordinates the clearance of policy and decision packages going to the Director with program offices;
- Ensures appropriate approval, posting and handling of executive correspondence, policy and decision packages are coordinated with program activities; and
- Provides essential resource management and administrative support to executive program and executive offices and some assistance is provided to the office for White House Fellows. Support tasks include coordination and review of agency correspondence, policy and program proposals, regulations and legislation.

Human Resources Solutions – Center for Management Services

Internally, HRS provides IT, Space, HR services, and analytical marketing support to all practice areas. These functions ensure HRS has the operational support, infrastructure support, and marketing and business management services essential to the direction and operation of HRS, including employee training, employee and labor relations, and employee workplace well-being programs.

- Creates, manages and deploys customer-facing programs and projects that directly support the business development, outreach, and communications goals for HRS' practice areas. This activity directly supports OPM's goal to build its Brand image among Federal agencies and other stakeholder audiences, and position OPM as experts in recruiting and retaining a diverse, world-class workforce.
- Develop and execute an all-HRS Communications Strategy and Plan, support individual component marketing efforts, and provide communication advice and counsel to HRS senior leadership and practice area managers and supervisors. In support of this plan, HRS is improving performance across a wide range of tasks and skill sets, from developing new marketing strategies to staff training programs to a broader understanding of customer needs.

Program Inventory

Prior to developing the program inventory, OPM's budgets had been structured around organizational entities. Beginning with the FY 2015 budget, OPM will request budget funds structured by program activity.

The Government Performance Results Act (GPRA) Modernization Act of 2010 required Federal agencies to conduct a central inventory of all Federal programs during fiscal years 2013 and 2014 and develop an agency level program inventory to inform the Federal Program Inventory. The Federal Program Inventory has the potential to facilitate coordination across agencies by making it easier to find programs that can contribute to a shared goal, as well as improve public understanding about what Federal programs do and how programs link to budget, performance and other information. A copy of the OPM Program Inventory is available at the following link: <http://www.opm.gov/about-us/budget-performance/other-reports/federal-program-inventory.pdf>. Generally, OPM programs consist of a single program activity (PA) line of the President's Budget Appendix. For instance, OPM's Federal Employee Investigations program receives most of its funding from revolving fund sources and other organizations of OPM dedicate support to this single program. Per OMB Circular A-11 (revised 2013), OPM aggregated, disaggregated or maintained program authority to develop a program inventory that resonates with our external partners and reflects internal agency operations. As part of the OMB-directed program inventory review, OPM has assigned costs to each program in this budget.

This section contains budgetary estimates for each of OPM's 10 programs across organizational entities and articulates how those programs contribute to OPM's broader Strategic Goals and specific Strategic Objectives.

The following tables display the budget request by program within OPM that together constitute the mission of the agency. The primary programs of OPM are Federal Employee Policy Oversight, Federal Employee Healthcare and Insurance, National Healthcare Operations, Federal Investigative Services, Federal Agency Human Resources Services, Merit System Accountability & Compliance, Office of the Inspector General, Federal Employee Retirement, USAJOBS, and Federal Human Resources Information Technology Transformation (HRITT). The associated organizational elements and activities within the programs have been directly aligned to the OPM's Strategic Goals and corresponding strategies where appropriate. However, OPM supports various additional Government-wide functions that do not directly map to specific core programs or specific strategic goals.

FY 2015 OPM Budget by Program and Organization—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|-------------------------|----------------|------------------------|----------------|
| Federal Employee Policy Oversight | \$36,577,422 | 207.0 | \$36,536,455 | 200.8 |
| Chief Human Capital Officer Council | | | \$718,847 | 4.8 |
| Employee Services | \$29,838,766 | 176.0 | \$29,517,400 | 181.4 |
| Federal Prevailing Rate Advisory Committee | | | \$219,000 | 1.0 |
| Office of Diversity and Inclusion | \$1,058,976 | 7.0 | \$1,088,000 | 7.0 |
| Office of the Director | | | \$351,333 | 1.6 |
| Planning & Policy Analysis | \$5,679,680 | 24.0 | \$4,641,875 | 5.1 |
| Federal Employee Healthcare and Insurance | \$38,137,354 | 124.7 | \$36,164,241 | 123.3 |
| Planning & Policy Analysis | \$9,554,435 | 38.1 | \$7,572,239 | 44.6 |
| Retirement Services | | | \$125,000 | 1.0 |
| Healthcare & Insurance | \$28,582,919 | 86.6 | \$28,467,002 | 77.7 |
| National Healthcare Operations | \$19,127,579 | 63.7 | \$17,307,207 | 80.1 |
| Planning & Policy Analysis | \$5,425,761 | 10.0 | \$5,049,207 | 18.5 |
| Retirement Services | | | \$750,000 | 6.0 |
| Healthcare & Insurance | \$13,701,818 | 53.7 | \$11,508,000 | 55.6 |
| Federal Investigative Services | \$1,058,764,793 | 2,530.0 | \$1,132,778,993 | 2,727.0 |
| Federal Investigative Services | \$1,058,764,793 | 2,530.0 | \$1,132,617,689 | 2,726.0 |
| Planning & Policy Analysis | | | \$161,304 | 1.0 |
| Federal Agency Human Resources Services | \$381,196,000 | 412.0 | \$392,675,073 | 354.4 |
| HR Solutions | \$381,196,000 | 412.0 | \$392,613,817 | 354.1 |
| Office of the Director | | | \$61,256 | 0.3 |
| Merit System Accountability & Compliance Oversight | \$11,697,050 | 90.3 | \$11,345,652 | 80.9 |
| Office of the Director | | | \$189,418 | 0.9 |
| Planning & Policy Analysis | | | \$161,304 | 1.0 |
| Merit System Accountability & Compliance | \$11,697,050 | 90.3 | \$10,994,930 | 79.0 |
| Office of the Inspector General | \$26,024,000 | 145.0 | \$25,724,000 | 145.0 |

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|----------------|----------------------------|----------------|
| Office of the Inspector General | \$26,024,000 | 145.0 | \$25,724,000 | 145.0 |
| Federal Employee Retirement | \$99,100,355 | 970.0 | \$110,472,893 | 998.0 |
| Chief Information Officer | | | \$9,991,000 | 43.0 |
| Planning & Policy Analysis | | | \$464,893 | 2.0 |
| Retirement Services | \$99,100,355 | 970.0 | \$100,017,000 | 953.0 |
| USAJOBS | \$11,667,718 | 17.0 | \$11,487,544 | 17.0 |
| Chief Information Officer | \$11,667,718 | 17.0 | \$11,487,544 | 17.0 |
| Federal Human Resources Information Technology Transformation | \$76,196,851 | 135.1 | \$81,885,647 | 125.1 |
| Chief Information Officer | \$69,023,229 | 113.0 | \$70,286,264 | 111.6 |
| Employee Services | \$2,828,422 | 18.1 | \$440,124 | 1.0 |
| Planning & Policy Analysis | \$4,345,200 | 4.0 | \$11,159,259 | 12.5 |
| Additional Government-wide Mandated or Compliance Functions Supported by OPM | \$150,894,749 | 726.5 | \$144,472,033 | 597.4 |
| Chief Human Capital Officer Council | \$779,950 | 4.5 | | |
| Chief Information Officer | \$47,244,292 | 236.7 | \$43,610,360 | 144.0 |
| Communications & Public Liaison | \$2,478,584 | 20.0 | \$2,290,000 | 16.0 |
| Employee Services | \$7,151,528 | 73.7 | \$8,479,158 | 73.2 |
| Equal Employment Opportunity | \$976,667 | 10.0 | \$902,000 | 9.0 |
| Executive Secretariat & Ombudsman | \$1,693,489 | 14.0 | \$1,565,000 | 13.0 |
| Facilities, Security & Contracting | \$12,523,288 | 110.0 | \$11,570,000 | 102.0 |
| Federal Prevailing Rate Advisory Committee | \$236,531 | 1.0 | | |
| Office of the Chief Financial Officer | \$31,165,768 | 157.7 | \$29,793,000 | 133.0 |
| Office of the Director | \$3,376,112 | 17.0 | \$2,556,993 | 11.7 |
| Office of the General Counsel | \$6,500,425 | 38.0 | \$6,005,000 | 34.0 |
| Planning & Policy Analysis | | | \$3,019,919 | 20.5 |
| Rent & Centrally Funded Items | \$27,261,784 | 0.0 | \$26,321,000 | 0.0 |
| White House Fellows | \$835,890 | 5.0 | \$772,000 | 4.0 |
| Merit System Accountability & Compliance | \$6,091,338 | 19.9 | \$5,204,603 | 18.0 |
| Congressional, Legislative and Intergovernmental Affairs | \$2,579,103 | 19.0 | \$2,383,000 | 19.0 |
| OPM Total | \$1,909,383,871 | 5,421.3 | \$2,000,849,738 | 5,449.0 |

FY 2015 OPM Budget Request by Program and Fund Type—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|-------------------------|---------|---------------------|---------|
| Federal Employee Policy Oversight | | | | |
| Advances & Reimbursements To S&E | | | \$718,847 | 4.8 |
| Common Services | | | \$351,333 | 1.6 |
| Salaries & Expenses Appropriation | \$32,667,371 | 199.5 | \$32,883,751 | 187.9 |
| RF Presidential Management Fellows (PMF) | \$3,910,051 | 7.5 | \$2,582,524 | 6.5 |
| Federal Employee Healthcare and Insurance | | | | |
| Salaries & Expenses Appropriation | \$252,009 | 1.9 | | |
| TF Dental and Vision Benefits | \$17,049,000 | 6.1 | \$17,049,001 | 7.0 |
| TF Limit - Annual | \$18,265,344 | 106.5 | \$16,419,239 | 110.3 |
| Trust Fund Title V - Long Term Care | \$2,048,001 | 5.2 | \$2,048,001 | 4.3 |
| Trust Fund-Title V | \$523,000 | 5.0 | \$523,000 | 0.7 |
| National Healthcare Operations | | | | |
| Advances & Reimbursements To S&E | \$1,497,200 | 7.7 | | |
| Salaries & Expenses Appropriation | \$17,630,379 | 56.0 | \$16,557,207 | 74.1 |
| Federal Investigative Services | | | | |
| RF Investigative Services | \$1,058,764,793 | 2,530.0 | \$1,132,617,689 | 2,726.0 |
| Salaries & Expenses Appropriation | | | \$161,304 | 1.0 |
| Federal Agency Human Resources Services | | | | |
| Common Services | | | \$61,256 | 0.3 |
| RF - Training Services (HRS) | \$381,196,000 | 412.0 | \$392,613,817 | 354.1 |
| Merit System Accountability & Compliance Oversight | | | | |
| Common Services | | | \$249,418 | 1.2 |
| Salaries & Expenses Appropriation | \$11,697,050 | 90.3 | \$11,096,234 | 79.7 |
| Office of the Inspector General | | | | |
| OIG Salaries & Expenses | \$4,684,000 | 19.0 | \$4,384,000 | 19.0 |
| OIG TF Limit - Annual | \$21,340,000 | 126.0 | \$21,340,000 | 126.0 |

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|----------------|----------------------------|----------------|
| Federal Employee Retirement | | | | |
| TF Limit - Annual | \$57,895,355 | 663.0 | \$65,889,893 | 695.0 |
| Trust Fund Limitation - No Year | \$2,600,000 | 0.0 | | |
| Trust Fund Title V - FERCCA | \$2,109,000 | 12.0 | \$2,109,000 | 12.0 |
| Trust Fund-Title V | \$36,496,000 | 295.0 | \$43,349,000 | 298.0 |
| USAJOBS | | | | |
| RF - USAJOBS | \$11,667,718 | 17.0 | \$11,487,544 | 17.0 |
| Federal Human Resources Information Technology Transformation | | | | |
| EHRI Salaries and Expenses - No - Year | \$5,703,800 | 2.5 | | |
| HR LOB S&E No - Year | \$1,345,200 | 4.0 | | |
| RF Employment Services (HRTT) | \$30,701,573 | 101.0 | \$33,285,228 | 98.0 |
| RF Enterprise Human Resources Integration | \$32,617,856 | 9.5 | \$37,001,036 | 13.6 |
| RF HRLOB Activities | \$3,000,000 | 0.0 | \$3,000,000 | 0.0 |
| Salaries & Expenses Appropriation | \$2,828,422 | 18.1 | \$6,629,515 | 8.5 |
| TF Limit - Annual | | | \$1,969,868 | 5.0 |
| Additional Government-wide Mandated or Compliance Functions Supported by OPM | | | | |
| Advances & Reimbursements To S&E | \$4,101,950 | 4.5 | \$2,112,533 | 0.0 |
| Common Services | \$62,053,587 | 331.1 | \$58,815,151 | 305.1 |
| Information Technology Funding | \$35,367,413 | 132.2 | \$36,712,360 | 133.0 |
| RF - Revolving Fund Direct | \$0 | 125.5 | \$0 | 60.5 |
| Salaries & Expenses Appropriation | \$16,677,634 | 38.1 | \$22,840,989 | 50.8 |
| TF Limit - Annual | \$30,791,315 | 92.1 | \$23,991,000 | 48.0 |
| Trust Fund-Title V | \$1,902,850 | 3.0 | | |
| OPM Total | \$1,909,383,871 | 5,421.3 | \$2,000,849,738 | 5,449.0 |

Federal Employee Policy Oversight

Federal Employee Policy Oversight Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|-------------------------|--------------|---------------------|--------------|
| Federal Employee Policy Oversight | | | | |
| Chief Human Capital Officer Council | | | \$718,847 | 4.8 |
| Advances & Reimbursements To S&E | | | \$718,847 | 4.8 |
| Employee Services | \$29,838,766 | 176.0 | \$29,517,400 | 181.4 |
| Salaries & Expenses Appropriation | \$25,928,715 | 168.5 | \$26,934,876 | 174.9 |
| RF Presidential Management Fellows (PMF) | \$3,910,051 | 7.5 | \$2,582,524 | 6.5 |
| Federal Prevailing Rate Advisory Committee | | | \$219,000 | 1.0 |
| Salaries & Expenses Appropriation | | | \$219,000 | 1.0 |
| Office of Diversity and Inclusion | \$1,058,976 | 7.0 | \$1,088,000 | 7.0 |
| Salaries & Expenses Appropriation | \$1,058,976 | 7.0 | \$1,088,000 | 7.0 |
| Office of the Director | | | \$351,333 | 1.6 |
| Common Services | | | \$351,333 | 1.6 |
| Planning & Policy Analysis | \$5,679,680 | 24.0 | \$4,641,875 | 5.1 |
| Salaries & Expenses Appropriation | \$5,679,680 | 24.0 | \$4,641,875 | 5.1 |
| OPM Total | \$36,577,422 | 207.0 | \$36,536,455 | 200.8 |

OPM's FY 2015 Budget includes \$36,536,455 for continued support of organizations that perform policy and oversight for the Federal Government.

Program Description

OPM's Federal Employee Policy and Oversight Program provides policy direction and leadership for Government-wide human resources systems and programs such as recruitment, pay, leave, performance management and recognition, employee development, work/life/wellness programs, labor and employee relations, data analysis and documentation (Employee Viewpoint Survey and FedScope), and the Presidential Management Fellows (PMF) program. In support of this program, OPM aids agencies in examining diversity and inclusion policy options and Government-wide data trends. In addition, OPM helps agencies implement two diversity and inclusion Executive orders, 13583 and 13548. This program provides strategic analysis and workforce information spanning the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis). The following offices execute the Federal Employee Policy and Oversight program: Employee Services, Office of Diversity and Inclusion, and Planning and Policy Analysis.

- Employee Policy Oversight Services performs the following functions:
 - Employee Services (ES) develops human resource (HR) policies for Executive Branch agencies. Specifically, ES provides policy direction and leadership in designing, developing and promulgating Government-wide human resources systems and programs for recruitment, staffing, classification, pay, leave, training, performance management and recognition, employee development, management of executive resources, work/life/wellness programs and labor and employee relations.
 - ES provides technical support to agencies regarding the full range of human resources management policies and practices. ES administers civil service pay structures and annually publishes pay tables for 1.3 million General Schedule employees. ES reviews and certifies the performance appraisal systems for over 7,000 Federal executives and senior level employees. ES issues Government-wide policy on reciprocity of suitability investigations and suitability standards across Government. ES develops and improves policy and procedures for the end-to-end hiring process. ES is the prime advocate for telework, health & wellness programs, and veterans' employment.
 - ES provides technical support to improve the employment opportunities of veterans in the Federal service.
 - ES manages OPM's Innovation Practice to enable Government-wide prototyping and pilot testing of new approaches for effective workforce management.
 - ES provides central management for the PMF program by directing the program's assessment and selection process and offering training, orientation, and graduate sessions in addition to an annual job fair.
 - ES manages the operation of OPM's internal human resources program including the Center for Innovative Learning & Professional Growth.
- ODI examines policy options, Government-wide data trends, and employee viewpoint survey findings that affect OPM's management of HR policy, specifically including diversity and inclusion throughout the Federal Government. ODI:
 - Develops comprehensive strategies similar to those found in the private sector and successful agencies. The strategies help agencies drive and integrate diversity and inclusion practices throughout the Federal Government.
 - Assists agencies or departments to implement diversity and inclusion strategies that recruit and retain talented individuals from all communities to prepare for shifting workplace demographics, improve services to all populations, and increase innovation for the future.
 - Educates the Federal workforce on how to create an inclusive culture that encourages collaboration, flexibility and fairness, and leverages diversity throughout the organization to enable all employees to contribute to their full potential.
- The mission of Planning and Policy Analysis (PPA) is to provide strategic analysis and workforce information for the OPM Director and to support the performance goals of the agency. The scope of PPA analysis spans the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis).

Federal Employee Healthcare and Insurance

Federal Employee Healthcare and Insurance Resource Summary—All Resources

| OPM Budget Authority | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|--|-------------------------|--------------|---------------------|--------------|
| Federal Employee Healthcare and Insurance | | | | |
| Planning & Policy Analysis | \$9,554,435 | 38.1 | \$7,572,239 | 44.6 |
| TF Dental and Vision Benefits | \$271,000 | 2.3 | \$271,000 | 1.2 |
| TF Limit - Annual | \$8,489,435 | 28.5 | \$6,507,239 | 41.3 |
| Trust Fund Title V - Long Term Care | \$271,000 | 2.3 | \$271,000 | 1.4 |
| Trust Fund-Title V | \$523,000 | 5.0 | \$523,000 | 0.7 |
| Retirement Services | | | \$125,000 | 1.0 |
| TF Limit - Annual | | | \$125,000 | 1.0 |
| Healthcare & Insurance | \$28,582,919 | 86.6 | \$28,467,002 | 77.7 |
| Salaries & Expenses Appropriation | \$252,009 | 1.9 | | |
| TF Dental and Vision Benefits | \$16,778,000 | 3.8 | \$16,778,001 | 5.8 |
| TF Limit - Annual | \$9,775,909 | 78.0 | \$9,912,000 | 69.0 |
| Trust Fund Title V - Long Term Care | \$1,777,001 | 2.9 | \$1,777,001 | 2.9 |
| OPM Total | \$38,137,354 | 124.7 | \$36,164,241 | 123.3 |

OPM's FY 2015 Budget includes \$36,164,241 for management of the Health and Insurance Programs for the Federal Government.

Program Description

OPM's Healthcare & Insurance (HI) program oversees the management of insurance benefits for more than 8 million Federal employees, retirees, and their families. The HI organization consolidates all of OPM's healthcare and insurance responsibilities into a single organization. Existing responsibilities include Federal Employees Health Benefit Program (FEHBP), Federal Employee Group Life Insurance (FEGLI), Flexible Spending Account (FSA), Federal Long Term Care Insurance Program (FLTCIP), and Federal Employee Dental Vision Insurance Program (FEDVIP). The program provides strategic analysis and analytical tools including planning and policy activities related to Federal healthcare and insurance benefits programs. OPM's Planning and Policy Analysis (PPA) Office supports the Healthcare & Insurance program Affordable Care Act (ACA) responsibilities by providing policy support, and actuarial and data analysis.

National Healthcare Operations

National Healthcare Operations Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---------------------------------------|-------------------------|-------------|---------------------|-------------|
| National Healthcare Operations | | | | |
| Planning & Policy Analysis | \$5,425,761 | 10.0 | \$5,049,207 | 18.5 |
| Salaries & Expenses Appropriation | \$5,425,761 | 10.0 | \$5,049,207 | 18.5 |
| Healthcare & Insurance | \$13,701,818 | 53.7 | \$11,508,000 | 55.6 |
| Advances & Reimbursements To S&E | \$1,497,200 | 7.7 | | |
| Salaries & Expenses Appropriation | \$12,204,618 | 46.0 | \$11,508,000 | 55.6 |
| OPM Total | \$19,127,579 | 63.7 | \$16,557,207 | 74.1 |

OPM's FY 2015 Budget includes \$16,557,207 for the implementation and oversight of Multi-State Plan Programs authorized by ACA.

Program Description

With the passage of the Patient Protection and Affordable Care Act (ACA) in 2010, OPM was tasked with the responsibility to implement health insurance options for the broader American public. Section 1334 of ACA directs OPM to contract with health insurance issuers to offer at least two multi-State plans (MSPs) on each State's Affordable Insurance Exchanges.

Federal Investigative Services

Federal Investigation Services Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---------------------------------------|-------------------------|----------------|------------------------|----------------|
| Federal Investigative Services | | | | |
| Federal Investigative Services | \$1,058,764,793 | 2,530.0 | \$1,132,617,689 | 2,726.0 |
| RF Investigative Services | \$1,058,764,793 | 2,530.0 | \$1,132,617,689 | 2,726.0 |
| Planning & Policy Analysis | | | \$161,304 | 1.0 |
| Salaries & Expenses Appropriation | | | \$161,304 | 1.0 |
| OPM Total | \$1,058,764,793 | 2,530.0 | \$1,132,778,993 | 2,727.0 |

Note: There are FTE financed by FIS but assigned to other OPM organizations that are not reflected in the FTE totals. The cost of these FTE is shown as a FIS cost.

OPM's FY 2015 Budget includes \$1,132,778,993 for Federal investigative products and services.

Program Description

OPM's Federal Investigative Services (FIS) program provides investigative products and services for over 100 Federal agencies to use as the basis for suitability and security clearance or determinations. FIS performs background investigations for Federal agencies on a fee-for-service basis. FIS conducts over 90 percent of all background investigations for the Federal Government. The FIS provides personnel background investigative services to determine individuals' suitability for Federal civilian, military, and contract employment and eligibility for access to classified national security information. The mandates of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA) continue to be a primary focus of the background investigations program.

OPM continues to complete initial Top Secret clearances in less than 80 days and overall initial clearance investigations in less than 40 days, as required by IRTPA. This has been achieved through significant investments in information technology and stream-lined product realignment that has made the gathering, processing, and disseminating of investigative information more efficient and cost-effective.

Federal Agency Human Resources Services

Federal Agency Human Resources Services Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|--|-------------------------|--------------|----------------------|--------------|
| Federal Agency Human Resources Services | | | | |
| HR Solutions | \$381,196,000 | 412.0 | \$392,613,817 | 354.1 |
| RF - Training Services (HRS) | \$381,196,000 | 412.0 | \$392,613,817 | 354.1 |
| Office of the Director | | | \$61,256 | 0.3 |
| Common Services | | | \$61,256 | 0.3 |
| OPM Total | \$381,196,000 | 412.0 | \$392,675,073 | 354.4 |

OPM's FY 2015 Budget includes \$392,675,073 for the development, training, and implementation of human resource products and services.

Program Description

OPM's Federal Agency Human Resource Services program provides a variety of exceptional human resources products and services, enabling Federal agencies to develop strong leaders, attract and build a high quality public sector workforce, and transform their agencies into high performing organizations.

This program is delivered by the Human Resources Solutions (HRS) organization and is comprised of five areas operating under two major reimbursable offerings (Government provided and third-party contractor). These program areas include: the Center for Leadership Development (CLD), the Federal Staffing Group (FSG), HR Strategy and Evaluation Services (HRSES), the Training and Management Assistance (TMA) program, and the Administrative Law Judges Program (ALJP).

CLD's mission is to develop visionary leaders to transform Government through Government-to-Government educational programs and learning management system solutions that are grounded in leadership theories and address the Executive Core Competencies. CLD offers open-enrollment and custom programs consisting of both distance and blended-learning approaches for customer agencies. FSG is comprised of USA Staffing®, Staff Acquisition and Nationwide Testing, which work to provide our Federal customers with complete human resources lifecycle solutions designed to meet their diverse hiring needs, including Recruitment and Branding and On-boarding Solutions. HRSES offers a set of assessment, planning, classification, and evaluation products and services to our Federal agency customers to help facilitate improvement in their human capital management and human resources operations. Offerings include OPM Leadership 360™, competency testing, performance management development, and workforce and succession planning. TMA offers Government agencies a cadre of pre-qualified commercial firms with expertise in designing, developing, and implementing customized

training and human capital solutions to improve individual, group, and enterprise performance. Services are provided under an Indefinite Delivery, Indefinite Quantity contract vehicle to provide customers with the most cost effective means to develop and deploy a human capital management system. ALJP is responsible for administering a competitive examining process to ALJ applicants; maintaining a register of candidates who successfully completed the examination process, and certifying candidates from the register to agencies seeking to hire new ALJs. In addition, the ALJP office reviews and approves agency requests for ALJ personnel actions and manages the ALJ Loan, Senior ALJ, and ALJ Priority Referral Programs.

Merit System Accountability & Compliance Oversight

Merit System Accountability & Compliance Oversight Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|-------------------------|-------------|---------------------|-------------|
| Merit System Accountability & Compliance Oversight | | | | |
| Office of the Director | | | \$189,418 | 0.9 |
| Common Services | | | \$189,418 | 0.9 |
| Planning & Policy Analysis | | | \$161,304 | 1.0 |
| Salaries & Expenses Appropriation | | | \$161,304 | 1.0 |
| Merit System Accountability & Compliance | \$11,697,050 | 90.3 | \$10,994,930 | 79.0 |
| Common Services | | | \$60,000 | 0.3 |
| Salaries & Expenses Appropriation | \$11,697,050 | 90.3 | \$10,934,930 | 78.7 |
| OPM Total | \$11,697,050 | 90.3 | \$11,345,652 | 80.9 |

OPM's FY 2015 Budget includes \$11,345,652 for the accountability and oversight of Merit System principles and OPM standards.

Program Description

Section 1104 of the Civil Service Reform Act of 1978 requires OPM to establish and maintain an oversight program to ensure that delegated human resources activities comply with merit system principles and OPM standards. In addition, Executive Order No. 13197 (Government-wide Accountability for Merit System Principles; Workforce Information) gives OPM the responsibility and authority to hold Executive departments and agencies accountable to the President for effective human resources management. OPM's Merit System Accountability & Compliance (MSAC), Agency Compliance and Evaluation (ACE) ensures, through careful audit and evaluation, that Federal agency human resources programs are effective and meet merit system principles and other civil service standards.

The key components of ACE's oversight and compliance programs are (1) Agency Accountability Assessments, (2) Delegated Examining Unit Evaluations, (3) Large Agency Human Resources (HR) Evaluations, and (4) Small Agency HR Evaluations; and (5) Delegated Examining and Evaluator training. ACE also adjudicates position classification (white collar) and job grading (blue collar) appeals, Fair Labor Standards Act claims; and Federal civilian employee compensation, leave, and related claims.

Merit System Accountability and Compliance (MSAC) mission is to ensure Federal agency human resources programs are effective, efficient, and meet merit system principles and related civil service requirements:

- Works directly with other Federal agency Chief Human Capital Officers, Accountability Program Managers, HR managers and specialists to
 - Improve agency programs that are not in compliance with Federal HR policies and regulation; and
 - Improve the effectiveness and efficiency of the agency programs to meet agency mission and objectives;
- Provides Government-wide oversight through Human Resources Management Evaluations, Delegated Examining Audits, Accountability System Assessments, and pre-appointment reviews in cases where a current or former political appointee is selected for a career civil service position; and
- Adjudicates classification appeals, job grading appeals, Fair Labor Standards Act (FLSA) claims, compensation and leave claims, and declination of reasonable appeals.

Office of the Inspector General

Office of the Inspector General Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|--|-------------------------|--------------|---------------------|--------------|
| Office of the Inspector General | | | | |
| Office of the Inspector General | \$26,024,000 | 145.0 | \$25,724,000 | 145.0 |
| OIG Salaries & Expenses | \$4,684,000 | 19.0 | \$4,384,000 | 19.0 |
| OIG TF Limit - Annual | \$21,340,000 | 126.0 | \$21,340,000 | 126.0 |
| OPM Total | \$26,024,000 | 145.0 | \$25,724,000 | 145.0 |

The Office of the Inspector General's FY 2015 Budget includes \$25,724,000 for audits and investigations of OPM programs.

Program Description

The Office of the Inspector General was established as a statutory entity on April 16, 1989. It operates under the authority of the Inspector General Act of 1978 (P.L. 95-452) and the 1988 amendments (P.L. 100-504). The three core organizational units within the OIG are the audit, investigation, and the FEHBP administrative sanction programs. The IG Act requires that each OIG:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations;
- Promote economy, effectiveness, and efficiency within the agency;
- Prevent and detect fraud, waste, and abuse in agency programs and operations;
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations; and
- Keep the agency head and Congress fully and currently informed of problems in agency programs and operations.

For a detailed description of the Office of the Inspector General FY 2015 budget justification and performance results please refer to the separate section for the Office of the Inspector General in this document.

Federal Employee Retirement

Federal Employee Retirement Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---------------------------------------|-------------------------|--------------|----------------------|----------------|
| Federal Employee Retirement | | | | |
| Chief Information Officer | | | \$9,991,000 | 43.0 |
| TF Limit - Annual | | | \$7,438,000 | 40.0 |
| Trust Fund-Title V | | | \$2,553,000 | 3.0 |
| Planning & Policy Analysis | | | \$464,893 | 2.0 |
| TF Limit - Annual | | | \$464,893 | 2.0 |
| Retirement Services | \$99,100,355 | 970.0 | \$100,892,000 | 960.0 |
| TF Limit - Annual | \$57,895,355 | 663.0 | \$57,987,000 | 653.0 |
| Trust Fund Limitation - No Year | \$2,600,000 | 0.0 | | |
| Trust Fund Title V - FERCCA | \$2,109,000 | 12.0 | \$2,109,000 | 12.0 |
| Trust Fund-Title V | \$36,496,000 | 295.0 | \$40,796,000 | 295.0 |
| OPM Total | \$99,100,355 | 970.0 | \$111,347,893 | 1,005.0 |

OPM's FY 2015 Budget includes \$111,347,893 for the administration of the Federal Government's retirement programs.

Program Description

OPM's Retirement Services (RS) program administers the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS), serving 2.5 million Federal retirees and survivors who receive monthly annuity payments. The RS program consists of making initial eligibility determinations, adjudicating and survivor benefit payments, calculating post retirement changes such as disability and death; RS determines the benefit payments based on numerous, complex applicable laws and regulations and various life events such as health and life insurance enrollment, and Federal and state tax deductions. Even after a case is adjudicated and added to the annuity roll, OPM continues to serve annuitants by making address changes, managing tax withholdings, and surveying certain annuitants to ensure continued eligibility for benefits among other post-adjudication activities. RS responds to customer inquiries via email, fax, phone, and written correspondence.

USAJOBS

USAJOBS Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---------------------------|-------------------------|-------------|---------------------|-------------|
| USAJOBS | | | | |
| Chief Information Officer | \$11,667,718 | 17.0 | \$11,487,544 | 17.0 |
| RF - USAJOBS | \$11,667,718 | 17.0 | \$11,487,544 | 17.0 |
| OPM Total | \$11,667,718 | 17.0 | \$11,487,544 | 17.0 |

OPM's FY 2015 Budget includes \$11,487,544 for the maintaining and managing all employment opportunities for the Federal government.

Program Description

OPM's Office of the Chief Information Officer (CIO) maintains USAJOBS, the official job site of the Federal Government. It is the one-stop source for Federal jobs and employment information by which Federal agencies meet their legal obligation (5 USC 3327 and 5 USC 3330) to provide public notice of Federal employment opportunities to Federal employees and American citizens. The USAJOBS.gov website is a portal for Federal recruitment for all Government positions, whether competitively or non-competitively sourced.

Federal Human Resources Information Technology Transformation (HRITT) Human Resources Line of Business (HRLOB)

Federal HRITT HRLOB Resource Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|--|-------------------------|--------------|---------------------|--------------|
| Federal Human Resources Information Technology Transformation | | | | |
| Chief Information Officer | \$69,023,229 | 113.0 | \$70,286,264 | 111.6 |
| EHRI Salaries and Expenses - No - Year | \$5,703,800 | 2.5 | | |
| RF Employment Services (HRTT) | \$30,701,573 | 101.0 | \$33,285,228 | 98.0 |
| RF Enterprise Human Resources Integration | \$32,617,856 | 9.5 | \$37,001,036 | 13.6 |
| Employee Services | \$2,828,422 | 18.1 | \$440,124 | 1.0 |
| Salaries & Expenses Appropriation | \$2,828,422 | 18.1 | \$440,124 | 1.0 |
| Planning & Policy Analysis | \$4,345,200 | 4.0 | \$11,159,259 | 12.5 |
| HR LOB S&E No - Year | \$1,345,200 | 4.0 | | |
| RF HRLOB Activities | \$3,000,000 | 0.0 | \$3,000,000 | 0.0 |
| Salaries & Expenses Appropriation | | | \$6,189,391 | 7.5 |
| TF Limit - Annual | | | \$1,969,868 | 5.0 |
| OPM Total | \$76,196,851 | 135.1 | \$81,885,647 | 125.1 |

OPM's FY 2015 Budget includes \$81,885,647 for the improvement, standardization, and performance of OPM's human resource technology infrastructure.

Program Description

OPM's Human Resources Line of Business (HRLOB) program technology is a key enabler of OPM's human resource strategy. The HRLOB provides the necessary information technology infrastructure to facilitate the exchange of human resources (HR) data and information Government-wide. OPM HRLOB leads the Government-wide transformation of HR information technology by focusing on modernization, integration, and performance assessment. HRLOB generates Government-wide consolidation, standardization, and modernization through Human Resources Information Technology and Transformation (HRITT). A key enabler of agency human resources solutions, OPM offers Federal human resource information technology systems such as Enterprise Human Resource Integration (EHRI), Federal Employee Knowledge Portal, USA Learning, and USA Staffing®.

Additional Government-wide Mandated or Compliance Functions Supported by OPM and Enabling Structural Capacity Functions of OPM

Additional Government-wide Functions Supported by OPM and Enabling Structural Capacity Functions of OPM Summary—All Resources

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|-------------------------|--------------|---------------------|--------------|
| Additional Government-wide Mandated or Compliance Functions Supported by OPM | | | | |
| Chief Human Capital Officer Council | \$779,950 | 4.5 | | |
| Advances & Reimbursements To S&E | \$779,950 | 4.5 | | |
| Chief Information Officer | \$47,244,292 | 236.7 | \$43,610,360 | 144.0 |
| Information Technology Funding | \$35,367,413 | 132.2 | \$36,712,360 | 133.0 |
| RF - Revolving Fund Direct | \$0 | 51.0 | | |
| Salaries & Expenses Appropriation | \$1,922,429 | 12.5 | \$6,898,000 | 11.0 |
| TF Limit - Annual | \$8,051,600 | 38.0 | | |
| Trust Fund-Title V | \$1,902,850 | 3.0 | | |
| Communications & Public Liaison | \$2,478,584 | 20.0 | \$2,290,000 | 16.0 |
| Common Services | \$2,478,584 | 20.0 | \$2,290,000 | 16.0 |
| Congressional, Legislative and Intergovernmental Affairs | \$2,579,103 | 19.0 | \$2,383,000 | 19.0 |
| Common Services | \$2,579,103 | 19.0 | \$2,383,000 | 19.0 |
| Employee Services | \$7,151,528 | 73.7 | \$8,479,158 | 73.2 |
| Common Services | \$6,901,528 | 52.7 | \$8,479,158 | 54.2 |
| RF - Revolving Fund Direct | \$0 | 19.0 | \$0 | 19.0 |
| Salaries & Expenses Appropriation | \$250,000 | 2.0 | | |
| Equal Employment Opportunity | \$976,667 | 10.0 | \$902,000 | 9.0 |
| Common Services | \$976,667 | 8.0 | \$902,000 | 7.0 |
| RF - Revolving Fund Direct | \$0 | 2.0 | \$0 | 2.0 |
| Executive Secretariat | \$1,693,489 | 14.0 | \$1,565,000 | 13.0 |
| Common Services | \$1,693,489 | 14.0 | \$1,565,000 | 13.0 |
| Facilities, Security & Contracting | \$12,523,288 | 110.0 | \$11,570,000 | 102.0 |
| Common Services | \$11,881,288 | 59.5 | \$10,977,000 | 57.5 |
| RF - Revolving Fund Direct | \$0 | 44.5 | \$0 | 39.5 |
| Salaries & Expenses Appropriation | \$642,000 | 6.0 | \$593,000 | 5.0 |

| Program and Organization | FY 2014 Enacted Dollars | FTE | FY 2015 CBJ Dollars | FTE |
|---|--------------------------------|--------------|----------------------------|--------------|
| Federal Prevailing Rate Advisory Committee | \$236,531 | 1.0 | | |
| Salaries & Expenses Appropriation | \$236,531 | 1.0 | | |
| Merit System Accountability & Compliance | \$6,091,338 | 19.9 | \$5,204,603 | 18.0 |
| Advances & Reimbursements To S&E | \$3,322,000 | 0.0 | \$2,112,533 | 0.0 |
| Common Services | \$1,458,196 | 8.3 | \$1,287,000 | 7.7 |
| Salaries & Expenses Appropriation | \$1,311,142 | 11.6 | \$1,805,070 | 10.3 |
| Office of the Chief Financial Officer | \$31,165,768 | 157.7 | \$29,793,000 | 133.0 |
| Common Services | \$22,722,155 | 94.6 | \$21,992,000 | 85.0 |
| RF - Revolving Fund Direct | \$0 | 9.0 | | |
| TF Limit - Annual | \$8,443,613 | 54.1 | \$7,801,000 | 48.0 |
| Office of the Director | \$3,376,112 | 17.0 | \$2,556,993 | 11.7 |
| Common Services | \$3,135,809 | 17.0 | \$2,556,993 | 11.7 |
| Salaries & Expenses Appropriation | \$240,303 | 0.0 | | |
| Office of the General Counsel | \$6,500,425 | 38.0 | \$6,005,000 | 34.0 |
| Common Services | \$6,500,425 | 38.0 | \$6,005,000 | 34.0 |
| Planning & Policy Analysis | | | \$3,019,919 | 20.5 |
| Salaries & Expenses Appropriation | | | \$3,019,919 | 20.5 |
| White House Fellows | \$835,890 | 5.0 | \$772,000 | 4.0 |
| Salaries & Expenses Appropriation | \$835,890 | 5.0 | \$772,000 | 4.0 |
| Rent | \$27,261,784 | 0.0 | \$26,321,000 | 0.0 |
| Common Services | \$1,726,343 | 0.0 | \$378,000 | 0.0 |
| Salaries & Expenses Appropriation | \$11,239,339 | 0.0 | \$9,753,000 | 0.0 |
| TF Limit - Annual | \$14,296,102 | 0.0 | \$16,190,000 | 0.0 |
| OPM Total | \$150,894,749 | 726.5 | \$144,472,033 | 597.4 |

OPM's FY 2015 Budget includes \$144,472,033 to implement Government-wide mandates and compliance functions supported by the agency. The budget also supports programs that are essential to the agencies core mission but are not aligned directly to the strategic plan.

Program Description

The programs and the associated organizational elements and activities within them have been directly aligned to the OPM's Strategic Goals and corresponding strategies where appropriate.

The OPM budget request includes resources needed to administer those program activities that are external to the agency's core program mission. In addition to its mission-related programs, OPM has also included in its budgetary request funds to cover information technology; contracting, facilities and security; financial management; and centrally funded items. Funds for these activities will be used to

ensure OPM has the means to meet its goals and objectives. However, OPM provides additional Government-wide functions that do not directly map to specific core programs or specific strategic goals. These organizations are reflected in the table and are described in the strategic goal section and are listed below:

- Chief Human Capital Officers Council (CHCOC);
- Chief Information Officer (CIO);
- Communications and Public Liaison (CPL);
- Congressional, Legislative and Intergovernmental Affairs (CLIA);
- Executive Secretariat Office (ESO);
- Federal Prevailing Rate Advisory Committee (FPRAC);
- Merit System Accountability & Compliance (MSAC);
- Office of the Director (OD);
- Office of General Counsel (OGC);
- President's Commission on White House Fellows (WHF);
- Facilities, Security and Contracting (FSC); and
- Chief Financial Officer (CFO).

Earned Benefit Trust Funds

The Office of Personnel Management (OPM) administers the following Earned Benefit Trust Funds:

- FEHB – Federal Employees Health Benefits;
- FEGLI – Federal Employees Group Life Insurance;
- CSRDF – Civil Service Retirement and Disability Fund;
- PSRHB – Postal Service Retiree Health Benefits; and
- FSA FEDS – Flexible Spending Accounts for Federal Employees.

These trust funds are among the largest held by the United States Government. For FY 2015, the net assets combined are estimated to total approximately \$999 billion, the receipts are estimated to total \$159 billion, and the outlays are estimated to total \$133 billion.

The Earned Benefit Trust Fund section will briefly describe the Trust Fund Financing for each fund and the related Government Payment Accounts.

Trust Fund Financing

A key component of OPM’s mission is administering retirement, health benefits, long-term care and life insurance, dental and vision and flexible spending account programs for Federal employees, retirees, and their beneficiaries and maintaining the integrity of these programs. The below chart highlights the estimated receipts and outlays for the Federal health benefit fund.

Employee Health Benefits Fund & Retired Employees Health Benefits Fund (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|---|-------------------|---------------------|---------------------|--------------------------|
| Start of Year Balance | \$18,509 | \$20,621 | \$21,996 | \$1,375 |
| Receipts from the Public | \$13,374 | \$13,823 | \$14,342 | \$519 |
| Receipts from Federal Sources | \$32,378 | \$33,128 | \$34,236 | \$1,107 |
| Interest Earnings | \$283 | \$286 | \$286 | \$0 |
| Change in Uncollected Customer Payments | (\$106) | \$50 | \$65 | \$15 |
| Total Program Outlays | \$43,817 | \$45,912 | \$47,697 | \$1,785 |
| End of Year Balance | \$20,621 | \$21,996 | \$23,227 | \$1,231 |

Note: this display combines the FEHB and REHB Funds

Federal Employees Health Benefits Fund

The Federal Employees Health Benefits (FEHB) Fund is a revolving trust fund created by the Federal Employees Health Benefits Act of 1959. The FEHB fund provides for the cost of health benefits for:

- Active employees;
- Employees who retired after June 1960, or their survivors;
- Annuitants transferred from the Retired Employees Health Benefits (REHB) program as authorized by Public Law (P.L.) 93-246;
- Tribal organizations including the Indian Health Care Improvement Reauthorization Act (IHCIA); and
- OPM expenses to administer the program.

Beginning in 2016, OPM will offer a Self Plus One enrollment tier within the FEHB as enacted by the Bipartisan Budget Act of 2013.

Retired Employees Health Benefits Fund

The Retired Employees Health Benefits (REHB) Fund, created by the Retired Federal Employees Health Benefits Act of 1960, provides for the costs of:

- Retired employees and survivors who were enrolled in a Government-sponsored uniform health benefits plan;
- Government contributions are the same to retired employees and survivors who retain or purchase private health insurance; and
- OPM expenses to administer the program.

The REHB program is closed to new enrollees, and the population is dwindling. The projected population for FY 2014 is about 266 and FY 2015 is about 219.

The FEHB and REHB funds are financed by:

- Premium withholdings from active employees and annuitants;
- Agency contributions to premiums for active employees;
- Government contributions to premiums for annuitants;
- Premium collections from tribal organizations and employees; and
- Contributions made by the United States Postal Service in accordance with the provisions of Public Law 101-508.

OPM maintains a contingency reserve, funded by employee and Government contributions that may be used to defray future cost increases or provide increased benefits. OPM makes payments to carriers from this reserve whenever carrier-held reserves fall below levels prescribed by OPM regulations or when carriers can demonstrate good cause such as unexpected claims experience or variations from expected community rates. In determining a biweekly subscription rate to cover program costs, one percent is

added for administrative expenses and three percent is added for a contingency reserve held by OPM for each carrier. OPM is authorized to transfer unused administrative reserve funds to the contingency reserve.

The President’s Budget proposes to modernize the Federal Employees Health Benefits Program to better align it with the current marketplace and reduce cost growth by:

- Extending eligibility for coverage under the FEHB to domestic partners of covered Federal employees and retiring annuitants;
- Expanding OPM’ contracting authority to allow greater flexibility in negotiating benefits, including pharmacy benefits;
- Allowing OPM to negotiate and contract with a greater variety of health plan types; and
- Allowing OPM to establish a premium differential to incentivize participation in wellness programs.

OPM projects that the modernization proposal would reduce premiums for Federal agencies, employees and annuitants compared to projected premium costs under current law. If the proposal is enacted concurrent with FY 2015 appropriations, these changes could be reflected in contracts for insurance coverage in 2017. The Budget also proposes that the Patent and Trademark Office (PTO) continue to fund the accruing costs associated with post-retirement health benefits for its employees.

Employees Life Insurance Fund (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|---|-------------------|---------------------|---------------------|--------------------------|
| Start of Year Balance | \$40,326 | \$41,275 | \$42,869 | \$1,594 |
| Receipts from the Public | \$2,690 | \$2,592 | \$2,632 | \$40 |
| Receipts from Federal Sources | \$545 | \$515 | \$518 | \$3 |
| Interest Earnings | \$511 | \$1,321 | \$931 | (\$390) |
| Change in Uncollected Customer Payments | \$28 | (\$71) | \$5 | \$76 |
| Total Program Outlay | \$2,825 | \$2,763 | \$2,848 | \$85 |
| End of Year Balance | \$41,275 | \$42,869 | \$44,107 | \$1,238 |

The FEGLI fund finances payments to private insurance companies for Federal Employees’ Group Life Insurance. FEGLI was established by passage of the Federal Employees' Group Life Insurance Act of 1954 (P.L. 83-598), on August 17, 1954. The FEGLI program is an employer-sponsored life insurance trust fund program. This program provides benefit payments to beneficiaries following the death of employees, retired employees, and eligible family members. Employees also have an additional dismemberment benefit. It is the largest group life insurance program in the world, covering over 4 million Federal employees and retirees, and many of their family members. The FEGLI program offers Federal employees the opportunity to purchase group term life insurance which provides financial

protection to beneficiaries in the event of enrollee death or dismemberment (for employees). It also strengthens the appeal of Federal Government employment for highly qualified applicants, keeping Federal employment competitive with private industry. The above chart highlights the estimated receipts and outlays for the Federal life insurance fund.

Non-Postal Service employees, employees of Tribal organizations, and all retirees under 65 pay two thirds of the premium costs for Basic coverage; Agencies and tribal organizations pay the remaining third. Optional and certain post-retirement Basic coverage are paid entirely by enrollees.

The Budget proposes that the Patent and Trademark Office (PTO) will fund the accruing costs associated with post-retirement life insurance benefits for PTO’s employees.

Civil Service Retirement and Disability Fund (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|-------------------------------|-------------------|---------------------|---------------------|--------------------------|
| Start of Year Balance | \$826,571 | \$842,773 | \$858,373 | \$15,600 |
| Receipts from the Public | \$3,520 | \$3,722 | \$3,816 | \$94 |
| Receipts from Federal Sources | \$57,846 | \$60,426 | \$65,241 | \$4,815 |
| Interest Earnings | \$32,083 | \$31,136 | \$29,470 | (\$1,666) |
| Total Program Outlays | \$77,247 | \$79,684 | \$82,371 | \$2,687 |
| End of Year Balance | \$842,773 | \$858,373 | \$874,529 | \$16,156 |

The Civil Service Retirement and Disability Fund (CSRDF) is the oldest and largest of the four trust funds administered by the Office of Personnel Management (OPM). The Fund is financed and structured very differently from the other three trust funds. It is characterized by permanent indefinite budget authority. Budget Authority is the authority to incur obligations and pay expenses which become available to an agency during any fiscal year. Once approved, permanent budget authority is permanently available for all future years. Indefinite budget authority is used when the precise amount of budget authority required cannot be forecast in advance and must be determined at some future point in time (e.g. when actual receipts and expenses become known). The above chart highlights the estimated receipts and outlays for the Federal retirement and disability fund.

The CSRDF is a single plan even though it covers two Federal civilian retirement systems: the Civil Service Retirement System (CSRS) established on May 22, 1920, and the Federal Employees Retirement System (FERS) established on June 6, 1986. CSRS is a defined benefit plan, covering Federal employees hired prior to 1984. CSRS participants do not participate in the Social Security system. FERS is a three-tiered pension program that uses Social Security as a base, provides an additional basic benefit, and includes a Thrift Savings Plan. FERS covers employees hired after 1983 and formerly CSRS-covered employees who elected to join FERS.

CSRS has been financed under a statutory funding method passed by Congress in 1969. This funding method is based on the “static” economic assumptions of no future inflation, no future general schedule salary increases, and a 5 percent interest rate. Under CSRS, regular employees contribute 7 percent of pay. Law Enforcement Officers, Firefighters, and Congressional employees contribute an extra 0.5 percent of pay, and Members of Congress an extra 1.0 percent of pay. Non-Postal agencies match the employee’s contributions. Also under the static funding method for CSRS, the Treasury pays interest on any static unfunded liabilities that are not being financed by the Postal Service. The Treasury also makes payments to amortize, over a 30-year period, any increases in the static unfunded liability due to salary increases for Non-Postal employees that occurred during the year, and pays for the cost of any benefits attributable to military service for both Postal and Non-Postal employees that were paid out during the year.

FERS is funded under a “dynamic” entry age funding method as prescribed in Chapter 84 of Title 5, United States Code. Employees and agencies together contribute the full amount of the dynamic normal cost. During fiscal year 2013, the dynamic, normal cost for “Regular Employees” hired prior to January 1st, 2013, was 12.7 percent (employees share, 0.8 percent and employer’s share, 11.9 percent). On February 22, 2012, Public Law (P.L.) 112-96 was signed into law. P.L. 112-96 increased the FERS employee contribution rate by 2.3 percent for FERS employees hired (or rehired with less than five years of FERS service) after December 31st, 2012. These new Federal employees and Members of Congress fall into a new class of employees called “Revised Annuity Employees (RAE)”. The dynamic, normal cost is still 12.7 percent, however, the employees share is 3.1 percent and the employing agencies’ share is 9.6 percent. Effective fiscal year 2013, a weighted average normal cost was utilized to correctly capture all other groups of employees’ and agencies’ normal cost rates.

The 2015 Budget includes the impact of the Bipartisan Budget Act of 2013. This Act included a provision to increase the rate of employees’ contributions to FERS for individuals hired after December 31st, 2013, by an additional 1.3 percent and to maintain the employer’s contribution at its current normal cost rate. These new Federal employees and Members of Congress fall into a new class of employees called “Further Revised Annuity Employees (FRAE)”. Any contributions under this provision in excess of the amount necessary to satisfy FERS normal cost percentages, will be credited to the assets of the CSRDF, thereby reducing the unfunded liability.

An extra 0.5 percent of pay is contributed by Law Enforcement Officers, Firefighters, Air Traffic Controllers, Congressional employees, and Members of Congress. This normal cost (for RAEs/FRAEs and Non-RAEs/FRAEs) is for the defined benefit plan only, and does not include the cost of Social Security or the Thrift Savings Plan. FERS regular employees contribute a percentage of salary that is equal to the contribution rate for CSRS employees - 7.0 percent, as set forth above, less the 6.2 percent tax rate under the Old Age, Survivors and Disability Insurance (OASDI) portion of Social Security.

The 2015 Budget also includes a legislative proposal to resolve retroactive disability benefits coordination between OPM and the Social Security Administration (SSA). OPM estimates that the impact of this legislation would produce a reduction in improper payments and thus yield a savings of approximately \$41 million a year, beginning in FY 2017.

The Budget proposes that the PTO will continue to fund the full cost for retirement benefits for PTO’s employees covered under the Civil Service Retirement System.

Postal Service Retiree Health Benefits Fund (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|---|-------------------|---------------------|---------------------|--------------------------|
| Start of Year Balance | \$45,347 | \$46,925 | \$54,095 | \$7,170 |
| Receipts from the Public (Postal Service) | \$0 | \$5,700 | \$5,700 | \$0 |
| Receipts from Federal Sources | \$0 | \$0 | \$0 | \$0 |
| Interest Earnings | \$1,578 | \$1,470 | \$1,466 | (\$4) |
| Total Program Outlays | \$0 | \$0 | \$0 | \$0 |
| End of Year Balance | \$46,925 | \$54,095 | \$61,261 | \$7,166 |

This account receives from the Postal Service: 1) the pension savings provided to the Postal Service by the Postal Civil Service Retirement System Funding Reform Act of 2003 (P.L.108–18) that were held in escrow during 2006; 2) payments defined within P.L.109–435, and modified by P.L. 111–68, to begin the liquidation of the Postal Service's unfunded liability for post-retirement health benefits; and 3) beginning in 2017, payments for the actuarial cost of Postal Service contributions for the post-retirement health benefits for its current employees. This account also receives any surplus resources of the Civil Service Retirement and Disability Fund that are not needed to finance future retirement benefits under the Civil Service Retirement System to current or former employees of the Postal Service that are attributable to civilian employment with the Postal Service. The above chart highlights the estimated receipts for the Postal retiree health benefit fund.

Under the current law, Postal Service will cease to pay annual premium costs for its post-1971 current annuitants directly to the Employees and Retired Employees Health Benefits Fund. Instead, these premium payments will be paid from amounts that the Postal Service remits to this fund. Payments for a proportion of the premium costs of Postal Service annuitants' pre-1971 service would continue to be paid by the General Fund of the Treasury through the Government Payment for Annuitants, Employees Health Benefits account.

Federal Flexible Spending Risk Reserve Account (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|---------------------------------|-------------------|---------------------|---------------------|--------------------------|
| Start of Year Balance | \$97 | \$92 | \$86 | (\$6) |
| Receipts from the Public | \$12 | \$31 | \$31 | \$0 |
| Receipts from Federal Sources | \$1 | \$1 | \$1 | \$0 |
| Program Obligations (Mandatory) | \$4 | \$24 | \$24 | \$0 |

| | | | | |
|--|------|------|------|-------|
| Agency Administrator Cost and Program Admin Fee) | \$14 | \$14 | \$15 | \$1 |
| End of Year Balance | \$92 | \$86 | \$79 | (\$7) |

Flexible Spending Accounts for Federal Employees (FSAFEDS) is a voluntary tax-advantaged benefit plan. This account also allows Federal employees to pay for eligible out-of-pocket health care and dependent care expenses with their own pre-tax dollars. The average person will save about 30 percent on dependent care and health care expenses after taxes.

There are three types of accounts under the FSA Feds Program:

1. Health Care Flexible Spending Accounts (HCFSA);
2. Limited Expense Health Care Flexible Spending Account (LEX HCFSA); and
3. Dependent Care Flexible Spending Account (DCFSA).

The funds cannot be transferred between accounts. DCFSAs currently have a minimum annual election of \$250 and \$5,000 maximum. HCFSAs and LEX HCFSAs currently have a minimum annual election of \$250 and \$2,500 maximum. There are currently about 323,000 individuals with HCFSAs, 2,000 individuals with LEX HCFSAs and 53,000 individuals with DCFSAs.

The Risk Reserve account contains the accumulated balance of fees which are collected from reserve fees and forfeited funds. The reserve fees are from employing agencies whose employees participate in the FSAFEDS program, and forfeited balances of Flexible Spending Accounts. The agency fees are calculated based on the number of employees from each agency participating in the program. Resources are obligated to the FSA program administrator when claims against FSA accounts exceed resources contributed to the accounts from participating employees (generally early in the program year). Once account contributions exceed benefits, the FSA program administrator reimburses the reserve account. Account resources are also used for program administration and systems. The above chart highlights the estimated receipts and obligations for the Federal flexible spending accounts.

OPM’s actuaries have determined that the current value of the risk reserve account is more than sufficient to indemnify the program administrator. In order to lower the FSAFEDS Risk Reserve between target value and current value, OPM is using risk reserve resources to supplement the agency fees paid to the program administrator cost and administrative fee. We estimate that OPM will use \$15 million for FY 2015 to offset these agencies’ fees.

Payment Accounts

OPM receives “such sums as necessary” mandatory appropriations for payments from the General Fund to the Civil Service Retirement and Disability Fund, the Employees Health Benefits Fund, and the Employees Group Life Insurance Fund. The purposes and estimated amount of these payments are described in this section.

Government Payment for Annuitants, Employees Health Benefits (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|------------------|-------------------|---------------------|---------------------|--------------------------|
| Budget Authority | \$10,964 | \$11,071 | \$11,459 | \$388 |
| Obligations | \$10,964 | \$11,071 | \$11,459 | \$388 |
| Outlays | \$10,931 | \$11,239 | \$11,417 | \$178 |

This appropriation funds the Government's share of health benefits costs for annuitants and survivors. OPM requests the appropriation necessary to pay this contribution to the Employees Health Benefits Fund and the Retired Employees Health Benefits Fund. This appropriation covers:

- The Government's share of the cost of health insurance for annuitants as defined in sections 8901 and 8906 of title 5, United States Code;
- The Government's share of the cost of health insurance for annuitants (who were retired when the Federal employees health benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and
- The Government's contribution for payment of administrative expenses incurred by OPM in administration of the Retired Federal Employees Health Benefits Act.

Government payment account estimated budget authority includes anticipated payments being remitted to the U.S. Postal Service to finance a portion of its post-1971 annuitants' health benefits costs.

For FY 2015, budget authority and obligations will increase by \$388 million due to projected growth in the cost of health insurance, and in the number of annuitants with FEHB coverage.

Funds appropriated to this account remain available until expended for the purpose of funding the Government's share of health benefits costs for annuitants and survivors who no longer have an agency to contribute the employer's share. OPM has the authority to notify the Secretary of the Treasury of "such sums as may be necessary" to carry out these provisions.

Government Payment for Annuitants, Employees Life Insurance (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|------------------|-------------------|---------------------|---------------------|--------------------------|
| Budget Authority | \$46 | \$49 | \$50 | \$1 |
| Obligations | \$46 | \$49 | \$50 | \$1 |
| Outlays | \$46 | \$49 | \$50 | \$1 |

P.L. 96-427, Federal Employees Group Life Insurance Act of 1980, enacted October 10, 1980, requires that all employees under age 65 who retire on or after January 1, 1990, continue to make contributions toward their basic life insurance coverage (currently \$0.33 per month for each \$1,000 of coverage). As with active Federal employees, the Government is required to contribute one-third of the cost of the premium (currently \$0.17 per month for each \$1,000 of coverage) for basic coverage for annuitants. OPM, acting as the payroll office on behalf of Federal retirees, is requesting the funds necessary to make the required Government contribution for annuitants' post-retirement basic life coverage.

For FY 2015, budget authority and obligations will increase \$1 million due to the number of annuitants under age 65 with FEGLI coverage.

Funds appropriated to this account remain available until expended for the sole purpose of financing post-retirement life insurance benefits. OPM notifies the Secretary of the Treasury of "such sums as may be necessary" to carry out these provisions each fiscal year.

Payment to the Civil Service Retirement and Disability Fund (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|------------------|-------------------|---------------------|---------------------|--------------------------|
| Budget Authority | \$32,995 | \$35,470 | \$36,264 | \$794 |
| Obligations | \$32,995 | \$35,470 | \$36,264 | \$794 |
| Outlays | \$32,995 | \$35,470 | \$36,264 | \$794 |

The Payment to the Civil Service Retirement and Disability Fund (CSRDF) consists of an appropriation and a permanent indefinite authorization to pay the government's share of retirement costs as defined in the Civil Service Retirement Amendments of 1969 (P.L. 91-93), the Federal Employees Retirement Act of 1986 (P.L. 99-335), and the Civil Service Retirement Spouse Equity Act of 1985 (P.L. 98-615). The payment is made directly from the General Fund of the U.S. Treasury into the Civil Service Retirement and Disability Fund and is in addition to appropriated funds that will be contributed from agency budgets.

The unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: provided, that annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950 (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

Detail of Payment Account (millions)

| | FY 2013 Actual | FY 2014 Estimate | FY 2015 Estimate | FY 2014-2015 Variance |
|------------------------------------|-------------------|---------------------|---------------------|--------------------------|
| Current Appropriation | \$11,595 | \$11,500 | \$11,400 | (\$100) |
| Permanent Indefinite Authorization | \$21,239 | \$23,899 | \$24,793 | \$894 |
| Payment for Spouse Equity | \$71 | \$71 | \$71 | \$0 |
| Total | \$32,995 | \$35,470 | \$36,264 | \$794 |

Current Appropriation: Payment of Government Share of Retirement Costs

P.L. 91-93 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises, exclusive of the effects of cost-of-living adjustments (COLAs). OPM notifies the Secretary of the Treasury each year of “such sums as may be necessary” to carry out these provisions.

Permanent Indefinite Authorization: Transfers for Interest on Static Unfunded Liability and Payment of Military Service Annuities

P.L. 91-93 also provides permanent indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the Civil Service Retirement System’s current static unfunded liability, calculated based on static economic assumptions, and annuity disbursements attributable to credit for military service. These values reflect the additional liability for military service credit of former United States Postal Service employees. This provision was enacted by the Postal Accountability and Enhancement Act (P.L.109-435).

For FY 2015, the Permanent Indefinite Authorization will increase \$894 million due to an increase in the amount of interest to be transferred from Treasury.

Payment for Spouse Equity

P.L. 98-615 provides the Secretary of the Treasury to transfer an amount equal to the annuities granted to eligible former spouses of annuitants who died between September 1978 and May 1985 who did not elect survivor coverage.

Office of the Inspector General

The OPM Office of the Inspector General (OIG) is **requesting \$25,724,000** for its FY 2015 budget. Our request is composed of **\$4,384,000** from the Salaries and Expenses (S&E) General Fund and **\$21,340,000** from the OPM Trust Funds.

The OIG has outlined the program areas to be funded under our FY 2015 request, which is \$300,000 below the FY 2014 Appropriation's Budget. This reduction is the result of the OIG identifying cost savings in its oversight of OPM's implementation of the Patient Protection and Affordable Care Act (ACA).

| Budgetary Resources | FY 2013 Enacted | | FY 2014 Enacted | | FY 2015 CBJ | | FY 2014–15 Variance* | |
|--------------------------------------|---------------------|------------|---------------------|------------|---------------------|------------|----------------------|----------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| Salaries & Expenses | \$2,977,655 | 11 | \$4,684,000 | 19 | \$4,384,000 | 19 | (\$300,000) | 0 |
| Trust Fund Annual | \$21,131,652 | 126 | \$21,340,000 | 126 | \$21,340,000 | 126 | \$0 | 0 |
| Revolving Fund (Estimated) | \$0 | 0 | \$1,517,000 | 12 | \$3,000,000 | 21 | \$1,483,000 | 9 |
| Total Discretionary (dollars) | \$24,109,307 | 137 | \$27,541,000 | 157 | \$28,724,000 | 166 | \$1,183,000 | 9 |

*Note – Variance between FY 2015 versus FY 2014 are the result of the following:

- Salaries and Expenses (-\$300,000) are the result of identified cost savings in conducting oversight of OPM's implementation of ACA (i.e. software and contractor support costs)
- Revolving Fund (\$1,483,000 and 9 FTE) represents the estimated increase in full-year staffing costs required for Revolving Fund oversight

Affordable Care Act and Indian Health Care Oversight

The OIG's FY 2015 Budget includes funds associated with OPM's implementation of the ACA. The OIG is currently working with OPM on its implementation of the ACA. The OIG will audit and examine Multi-State Plan Program (MSPP) records and accounts that pertain to the MSPP. The OIG will work with MSPP issuers to carry out our oversight responsibilities by ensuring compliance with Federal regulations, the MSPP contract and OPM program guidance. This includes plans to review the business practices exhibited by the MSPPs, including their fraud detection systems, and report findings and recommendations to OPM for further action.

In addition, the ACA allows eligible Indian tribes, tribal organizations, and urban Indian organizations to purchase Federal Employees Health Benefits Program (FEHBP) and Federal Employees' Group Life Insurance (FEGLI) coverage, rights, and benefits for their employees. The OIG has been working with OPM, the National Finance Center, and the Indian tribes, tribal organizations, and urban Indian organizations to plan for audits of the enrollment, billing, and premium collection processes associated with the ACA.

Our greatest resource needs with regard to the Multi-State Plans (MSP) will exist in 2015, when the program has been operational for a sufficient period of time for there to be enough experience to verify contract compliance. Resource needs will be driven by several factors. The number of MSP issuers will be the primary driver of audit resource needs – more issuers means more audits

The OIG believes that the oversight of the ACA should be a top priority and requests continued Congressional support to sufficiently fund our oversight activities, protecting the ACA from fraud, waste, abuse, and mismanagement.

OIG Oversight of OPM's Revolving Fund Programs

In response to the OIG being underfunded to conduct adequate oversight of OPM's Revolving Fund programs, a legislative proposal was included in the FY 2014 President's Budget that requests that the OPM Revolving Fund provide resources to the OIG for the amount required to adequately audit, investigate, and provide other oversight activities. This legislative proposal was included in the general provisions of the FY 2014 budget request for the Financial Services and General Government appropriations legislation.

On February 12, 2014, President Obama signed the OPM OIG Act. This piece of legislation states:

“To amend title 5, United States Code, to provide that the Inspector General of the Office of Personnel Management may use amounts in the revolving fund of the Office to fund audits, investigations, and oversight activities, and for other purposes.” *OPM OIG Act of 2014 (P.L. 113-80)*

For FY 2015, the OIG estimates that \$3,000,000 and 21 FTE will be required to fund OPM Revolving Fund oversight activities. These resources will be utilized to perform oversight of OPM's Revolving Fund programs, which are projected to generate more than \$1.6 billion in FY 2015. Currently, OPM Revolving Fund programs consist of: Federal Investigative Services; Human Resources Solutions; Enterprise Human Resources Integration; HR Line of Business; HR Tools & Technology; USAJOBS; and the Presidential Management Fellows Program.

Over the past two years, there have been significant problems within these programs which collectively illustrate the importance of a vigorous, adequately-resourced oversight capacity that would allow OPM and the OIG to identify fraudulent activity and strengthen preventive controls. The workload has ranged from technical audit work with the USAJOBS website to the continuing flow of allegations involving falsification of background investigations and abuse of authority referred to our office by the quality assurance area of the FIS program. The number of FIS referrals leveled off in FY 2013, however due to limited resources, we currently have a backlog of pending inquiries that need to be addressed.

Existing Responsibilities

In FY 2015, the OIG will continue to provide audit and investigative oversight of the FEHBP including FEHBP plans and pharmacy benefit managers; Civil Service Retirement System/Federal Employees

Retirement System programs and operations; and health carrier information systems. The OIG oversees and achieves positive impact within the FEHBP by reducing potential health and safety risks for Federal employees, annuitants, and their families and annually recovers tens of millions of dollars to the FEHBP and OPM Trust Funds, as well as to the Treasury general fund. The OPM Trust Funds have assets of over \$960 billion and disburse almost \$120 billion annually. The OIG continues to play a significant role in improving the efficiency and integrity of the FEHBP through our audit and investigative activities and by identifying proposals for legislative and contractual changes to be implemented in future years. During the past three years, the OIG has worked actively and cooperatively with both the Congress and OPM to promote the transparency of parties doing business with the FEHBP, such as Pharmacy Benefit Managers (PBMs). OPM's adoption of transparency principles for PBM contracts has the potential to reduce prescription drug costs for all FEHBP enrollees.

The OIG audit and investigative efforts have led to improved efficiency and effectiveness throughout the varied OPM programs and operations. The OIG's efforts in reducing improper payments in the Federal retirement programs and other targeted areas of operation are direct deterrents to fraud, waste, and abuse and are absolutely dependent upon this funding request. Our more recent efforts within the Federal Investigative Services background investigations program have targeted fraud and abuse that have a direct impact on national security.

The OIG will continue to provide the current levels of oversight to other large OPM Trust Fund programs, including the FEHBP carrier and pharmacy benefit areas, Federal retirement programs, and the FEGLI Program. The OIG will also continue to provide oversight and enforcement to the other non-Trust Fund benefit areas and Revolving Fund program areas as funding permits, as well as protecting each from fraud, waste, abuse and mismanagement.

Program Overview

The Office of the Inspector General was established as a statutory entity on April 16, 1989. It operates under the authority of the Inspector General Act of 1978 (P.L. 95-452) and the 1988 amendments (P.L. 100-504).

The Inspector General Act requires that each OIG:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations;
- Promote economy, effectiveness, and efficiency within the agency;
- Prevent and detect fraud, waste, and abuse in agency programs and operations;
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations; and
- Keep the agency head and Congress fully and currently informed of problems in agency programs and operations.

The three core organizational units within the OIG are the audit, investigation, and FEHBP administrative sanction programs.

Specific Activities Included:

Audits

OIG auditors conduct risk assessments by obtaining an understanding of the programs, missions, goals, responsibilities, and processes of each program. These risk assessments are used to determine the levels of risk associated with each program group and their respective activities. Audits are conducted of the program groups and activities based on the risk factor identified in the assessments (e.g., higher risk areas will be audited first).

Experience-Rated FEHBP Audits. Conduct audits of experience-rated health plans (fee-for-service, with the most popular being the various Blue Cross and Blue Shield plans) participating in the Federal Employees Health Benefits Program. The universe of experience-rated plans currently consists of approximately 88 audit sites. When auditing these plans, the focus is generally on three key areas: the legitimacy of contract charges and the recovery of appropriate credits, including refunds; the effectiveness of carriers' claims processing, financial, and cost accounting systems; and the adequacy of internal controls to ensure proper contract charges and benefit payments.

Community-Rated FEHBP Audits. Conduct audits of community-rated health plans (comprehensive medical plans, commonly referred to as health maintenance organizations [HMOs]) participating in the FEHBP. The community-rated HMO audit universe covers approximately 113 rating areas. Audits of these plans are designed to ensure the plans assess the appropriate premium rates in accordance with their respective FEHBP contracts and applicable Federal regulations.

Affordable Care Act Audits. The OIG audits under the ACA will ensure the issuers' compliance with its contract with OPM. Rates charged will be audited for the MSPP products to ensure compliance with the rules and regulations. In addition, our office will audit compliance with the various performance elements contained in the contract.

Pharmacy Benefit Manager (PBM) Audits. Pharmaceutical-related expenditures comprise approximately 26 percent of all FEHBP costs, or over \$11 billion in 2013, most of them handled through third-party PBMs. The OIG conducts a series of audits that deal directly with PBMs. Based on experience and results to date, these audits will identify significant findings related to the handling of the complex series of refunds, rebates, credits, and incentives that characterize the relationships among pharmaceutical manufacturers, PBMs, health insurance carriers, and the FEHBP.

Financial Statement Audits. Each year, the agency contracts with an independent public accounting firm to perform the Office of Personnel Management's consolidated financial statements audit. The OIG monitors the firm's performance to ensure all work is conducted in accordance with the contract and in compliance with Government auditing standards and other authoritative references pertaining to OPM's financial statements.

Performance Audits. Performance audits provide an independent assessment of how well OPM operates its various programs and activities. Two types of performance audits are conducted: economy and

efficiency audits, and program audits. Economy and efficiency audits determine whether the agency is acquiring and managing resources prudently and proficiently, and whether the agency has complied with laws and regulations relating to its operations. Program audits determine the extent to which the desired results or benefits of programs established by Congress or other authorizing bodies are being achieved; the effectiveness of organizations, programs, activities, or functions; and the agency's compliance with laws and regulations.

Pre- and Post-Award Contract Audits. Pre-award contract audits are conducted to ensure a bidding contractor is capable of meeting contractual requirements, assess whether estimated costs are realistic and reasonable, and determine if the contract complies with all applicable Federal regulations. Post-award audits are conducted to ensure costs claimed to have been incurred are accurate and in accordance with Federal contract regulations.

Information Systems Audits. Information systems audits are conducted on health and life insurance carriers that participate in the FEHBP and the Federal Employees' Group Life Insurance Program, as well as on other OPM systems. The agency's computer systems development and management activities are also audited. These audits cover both general controls (the policies and procedures that apply to an entity's overall computing environment) and application controls (those directly related to individual computer applications). In addition, our auditors perform an independent evaluation of OPM's information technology security environment.

Revolving Fund Audits. Revolving Fund audits are conducted on the multitude of Revolving Fund programs managed by OPM (Federal Investigative Services; Human Resources Solutions; Enterprise Human Resources Integration; HR Line of Business; HR Tools & Technology; USAJOBS; and the Presidential Management Fellows Program).

FEHBP Data Warehouse. The OIG will continue to operate its FEHBP claims data warehouse in 2015. The data warehouse streamlines and enhances the various administrative and analytical procedures involved in the oversight of the FEHBP. This project captures data from experience-rated insurance carriers in a data warehouse of health care claims information. The system's software tools support a variety of analytical procedures, including data mining, using the data in the warehouse. The project has facilitated more efficient and effective oversight of the FEHBP by enhancing the ability of auditors, investigators, and FEHBP administrative sanctions analysts to identify improper payments and assess levels of exposure to alleged fraud, waste, and abuse.

The OIG will also provide periodic transfer of health claims data from the OIG's FEHBP Claims Data Warehouse to the independent "Health Claims Data Warehouse" being developed by OPM's Office of Planning and Policy Analysis.

Combined Federal Campaign Audits. The Combined Federal Campaign (CFC) is the only authorized charitable fundraising drive conducted in Federal installations throughout the world. OPM has the responsibility, through both law and executive order, to regulate and oversee the conduct of fundraising activities in Federal civilian and military workplaces worldwide.

In April 2013, it was announced that OPM plans to restructure the CFC. This decision was based on recommendations released by the CFC-50 Commission, and influenced by the results of our audit of the CFC for the National Capital Area.

The OIG audits and reviews the administration of local campaigns to ensure compliance with Federal regulations and OPM guidelines, while OIG investigators pursue allegations of fraud and embezzlement affecting the CFC. All campaigns are required by regulation to have an independent public accounting (IPA) firm audit their respective financial activities for each campaign year. The OIG reviews the IPA's work as part of our audit scope.

Non-Trust Fund Benefit Program Audits. OPM also administers other benefit programs for Federal employees, which include the Federal Flexible Spending Account (FSAFEDS) program, the Federal Long Term Care Insurance Program (FLTCIP), and the Federal Employees Dental and Vision Insurance Program (FEDVIP). Our office conducts audits of these programs in order to ensure that costs charged and services provided to Federal subscribers are in accordance with the contracts and applicable Federal regulations.

Investigations

FEHBP Investigations. The OIG investigates potential fraud committed against the Federal Employees Health Benefits Program. Much of this work is coordinated with the Department of Justice, the Federal Bureau of Investigation, and other Federal, state, and local law enforcement agencies. In addition, the OIG special agents work closely with the numerous health insurance carriers participating in the FEHBP, providing an effective means for reporting instances of possible fraud by FEHBP health care providers and subscribers. Our efforts target cases of maximum exposure within the FEHBP, or where patients are at risk of harm, as a means of protecting enrollees and their families as well as recovering millions of dollars to the OPM trust fund.

Retirement Investigations. The OIG conducts investigations of potential fraud associated with the Civil Service Retirement System and the Federal Employees Retirement System. Proactive efforts to identify fraud within these programs include data-matching initiatives and routine review of reclamation actions. The OIG also works cases of potential fraud referred to our office through our hotlines or from the OPM program and quality assurance offices.

Revolving Fund Investigations. OPM's Revolving Fund programs have been the most rapidly growing OPM component and employ the majority of OPM employees and contractors. OPM projects that its Revolving Fund budget will exceed \$1.6 billion in FY 2015. For the OPM Federal Investigative Services program, many risks are inherent because it is a widely dispersed program where much of the work is

being performed by background investigators in a setting where they are not directly subject to face-to-face supervision, but their work product is relied upon as the basis for crucial Governmental decisions. The vulnerabilities of the background investigations program lie not only in the fact that fraudulent, falsified, incomplete, or incorrect background investigations represent a poor quality work product, but also that they may render the nation's security vulnerable by allowing the employment of unsuitable persons or the granting of security clearances to individuals who would compromise the national security of the United States.

The OIG audit and investigative staff have worked closely together and have identified many Revolving Fund program areas in need of audit work as a result of the weaknesses identified through our investigations.

Other Investigations. Potential instances of fraud against OPM's non-Trust Fund program activities, along with employee misconduct and other wrongdoing, are also investigated.

Administrative Sanctions

Under authority delegated from the agency head, the OIG debars and suspends health care providers whose actions indicate they present a threat to the integrity of the FEHBP and potentially to the health and safety of enrollees and their family members. The administrative sanctions are accomplished through authorities established by the Federal Employees Health Care Protection Act of 1998 (P.L. 105-226). This legislation gives the OIG the ability to issue sanctions—including suspensions, debarments, and financial assessments of health care providers—for violations committed against the FEHBP, even if there is no indication that offenses occurred in other Federal health care programs.

Office of the Inspector General Salaries and Expenses – Obligations by Object Class

| Object Class | FY 2014 Enacted | FY 2015 CBJ | FY 2014–15 Variance |
|--------------------------------------|--------------------|--------------------|---------------------|
| Personnel compensation | \$2,691,000 | \$2,718,000 | \$27,000 |
| Personnel benefits | \$836,000 | \$844,000 | \$8,000 |
| Travel and transportation of persons | \$189,000 | \$189,000 | \$0 |
| Transportation of things | \$0 | \$0 | \$0 |
| Communications, utilities, and rent | \$398,000 | \$325,000 | (\$73,000) |
| Printing and reproduction | \$0 | \$0 | \$0 |
| Other services | \$500,000 | \$238,000 | (\$262,000) |
| Supplies and materials | \$25,000 | \$25,000 | \$0 |
| Equipment | \$45,000 | \$45,000 | \$0 |
| Land and structures | \$0 | \$0 | \$0 |
| Total (dollars) | \$4,684,000 | \$4,384,000 | (\$300,000) |
| FTE | 19 | 19 | 0 |

Office of the Inspector General Trust Fund – Obligations by Object Class

| Object Class | FY 2014 Enacted | FY 2015 CBJ | FY 2014–15 Variance |
|--------------------------------------|---------------------|---------------------|---------------------|
| Personnel compensation | \$14,126,000 | \$13,406,000 | (\$720,000) |
| Personnel benefits | \$4,292,000 | \$4,286,000 | (\$6,000) |
| Travel and transportation of persons | \$800,000 | \$805,000 | \$5,000 |
| Transportation of things | \$25,000 | \$25,000 | \$0 |
| Communications, utilities, and rent | \$1,052,000 | \$1,945,000 | \$893,000 |
| Printing and reproduction | \$20,000 | \$20,000 | \$0 |
| Other services | \$800,000 | \$600,000 | (\$200,000) |
| Supplies and materials | \$125,000 | \$130,000 | \$5,000 |
| Equipment | \$100,000 | \$123,000 | \$23,000 |
| Land and structures | \$0 | \$0 | \$0 |
| Total (dollars) | \$21,340,000 | \$21,340,000 | \$0 |
| FTE | 126 | 126 | 0 |

Office of the Inspector General Objectives

Office of the Inspector General, Oversight

| Performance Measures | FY 2012 Result | FY 2013 Result | FY 2014 Target | FY 2015 Target | | |
|-----------------------------|---------------------|----------------|---------------------|----------------|---------------------|----------|
| Return on investment | \$6.72* | \$6.41 | \$6 | \$6 | | |
| Carrier audit cycle (years) | 3.6 | 3.2 | 3.3 | 3.3 | | |
| FEHBP audit recovery rate | 71.1% | 74.3% | 80% | 80% | | |
| Positive financial impact | \$144.0M*** | \$138.6M*** | \$138.6M | \$138.6M | | |
| Budgetary Resources | | | | | | |
| Fund | FY 2014 Enacted | | FY 2015 CBJ | | FY 2014-15 Variance | |
| | \$ | FTE | \$ | FTE | \$ | FTE |
| OIG Salaries & Expenses | \$3,430,000 | 13 | \$3,130,000 | 13 | (\$300,000) | 0 |
| OIG Trust Funds Annual | \$14,814,000 | 86 | \$14,814,000 | 86 | \$0 | 0 |
| Revolving Fund (Estimated) | \$606,000 | 6 | \$1,290,000 | 11 | \$684,000 | 5 |
| Total (dollars) | \$18,850,000 | 105 | \$19,234,000 | 110 | \$384,000 | 5 |

* The OIG's investigative activity also results in a positive financial return to the General Treasury. These amounts are now reflected in our Semi-Annual Report to Congress as Fines, Penalties, Assessments, and Forfeitures. In our most recent SAR, the amount recorded was **\$233,603,050** for that 6-month period. This figure includes asset forfeitures and court assessments and/or fees resulting from criminal investigations conducted by our office. Many of these criminal investigations were conducted jointly with other Federal agencies, who share the credit for the fines, penalties, assessments, and forfeitures. At this time this amount is **not** factored into our Return on Investment measure, since this measure reflects only those dollars to be returned to the OPM Trust Funds. The total joint recoveries returned to the general Treasury Fund for FY 2013 were **\$1.1 billion**.

** The FEHBP Audit Recovery Rate is a five year rolling average of the amount recovered plus the remaining receivable balance. As such, the reported result for a year may change slightly in following years if, for example, some of the receivable is written-off as unrecoverable.

*** The positive financial impact is calculated based on the five year rolling average.

Office of the Inspector General, Enforcement

| Performance Measures | FY 2012 Result | FY 2013 Result* | FY 2014 Target | FY 2015 Target |
|--|----------------|-----------------|----------------|----------------|
| Number of arrests | 54 | 38 | 55 | 55 |
| Number of indictments | 63 | 49 | 60 | 60 |
| Number of convictions | 51 | 37 | 60 | 60 |
| Number of debarments and suspensions | 827 | 810 | 800 | 800 |
| Number of debarment and suspension inquiries | 3,507 | 7,090 | 1,800 | 1,800 |

| Budgetary Resources | | | | | | |
|----------------------------|--------------------|-----------|--------------------|-----------|---------------------|----------|
| Fund | FY 2014 Enacted | | FY 2015 CBJ | | FY 2014-15 Variance | |
| | \$ | FTE | \$ | FTE | \$ | FTE |
| OIG Salaries & Expenses | \$1,254,000 | 6 | \$1,254,000 | 6 | \$0 | 0 |
| OIG Trust Funds Annual | \$6,526,000 | 40 | \$6,526,000 | 40 | \$0 | 0 |
| Revolving Fund (Estimated) | \$911,000 | 6 | \$1,710,000 | 10 | \$799,000 | 4 |
| Total (dollars) | \$8,691,000 | 52 | \$9,490,000 | 56 | \$799,000 | 4 |

* In FY 2013, the Number of arrests measure decreased as a result of the OIG's increased pursuit of civil qui tam actions, which have a higher return to the OPM-managed Trust Funds. However, such actions are not recorded as arrests.

The following information is provided to adhere to requirements of the Inspector General Reform Act of 2008 (P.L. 110-498)

Participation in Council of the Inspector General on Integrity and Efficiency Resource Summary - includes all resources

| Budget Source | FY 2014 Enacted | | FY 2015 CBJ | | Increase/Decrease | |
|----------------------------|-----------------|----------|-----------------|----------|-------------------|----------|
| | \$ | FTE | \$ | FTE | \$ | FTE |
| OIG Salaries and Expenses | \$2,949 | 0 | \$2,949 | 0 | \$0 | 0 |
| OIG Trust Funds | \$57,616 | 0 | \$57,616 | 0 | \$0 | 0 |
| OIG Total (dollars) | \$60,565 | 0 | \$60,565 | 0 | \$0 | 0 |

Office of the Inspector General Training Resources Resource Summary - includes all resources

| Budget Source | FY 2014 Enacted | | FY 2015 CBJ | | Increase/Decrease | |
|----------------------------|------------------|----------|------------------|----------|-------------------|----------|
| | \$ | FTE | \$ | FTE | \$ | FTE |
| OIG Salaries and Expenses | \$160,000 | 0 | \$160,000 | 0 | \$0 | 0 |
| OIG Trust Funds | \$165,000 | 0 | \$165,000 | 0 | \$0 | 0 |
| Revolving Fund (Estimated) | \$80,000 | 0 | \$120,000 | 0 | \$40,000 | 0 |
| OIG Total (dollars) | \$405,000 | 0 | \$445,000 | 0 | \$40,000 | 0 |

Evidence and Evaluation

In 2009, OPM launched a systemic program evaluation strategy that was designed to help leadership determine whether OPM programs contribute to specific benefits and directly translate to desired program impact. Unfortunately, the agency did not realize the full benefits of this approach because it was not funded. Moving forward, OPM will coordinate and undertake evidence and evaluation efforts commensurate with available resources.

Currently, OPM employs a systemic approach to results-oriented evaluation that includes several foundational components:

- Understanding of a program and its context;
- Early and continuing involvement of stakeholders;
- Logical links between program activities and expected outcomes;
- Consistency of program implementation (or careful consideration of implementation variations);
- Creation of specific, measurable research questions; and
- Careful balancing and prioritization of research questions and budgetary constraints.

OPM incorporates performance measurement data and program analytics and evaluations of program performance into data-driven executive level and periodic program performance reviews. OPM leadership uses these reviews to support budgetary decision-making. Further, OPM uses this performance and evaluation information during program strategic reviews to define priority goals and strategic goals and associated strategic performance objectives.

Examples of program performance measurement data used for day-to-day decision making and weekly management reviews are found in the Budget by Strategic Goal section of this document. Examples of performance measures and OPM priority goals are detailed in the Priority Goal section of this document. OPM evaluates progress of Priority Goals as part of OPM Performance Point reviews. The goal of OPM Performance Point, began in October 2011, is to conduct inclusive, evidence-based reviews to evaluate agency priority goal progress, identify issues and potential solutions that will improve program performance. Performance reviews are undertaken in all program areas and occur on a rotating basis every six to seven weeks. The reviews are conducted with participation from the OPM senior management team, including the Director and all Associate Directors. Action items resulting from the reviews are recorded and tracked.

OPM is committed to using evidence and evaluation to inform the allocation of scarce resources and to improve agency performance. To achieve this end, OPM is building evidence of what works and what does not while we are also strengthening our evaluation capacity. We highlight eight projects that are currently underway which illustrate this focus.

- Closing Skills Gaps for Mission Critical Occupations;

- HRstat Pilot;
- Re-Design of Federal Employees Health Benefits (FEHB) Plan Choice;
- Science, Technology, Engineering, and Math (STEM) Analysis;
- Retirement Prediction Model;
- The Federal Employee Viewpoint Survey Online Reporting and Analysis Tool;
- Expansion of FedScope Cubes available to the Public; and
- Increasing the Utility of Data Contained in the Enterprise Human Resources Integration (EHRI) Data Warehouse.

OPM's use of evidence and evaluation initiatives support the administration's cross-cutting management strategies (reference: Memorandum M-13-17, "Next Steps in the Evidence and Innovation Agenda).

OPM's initiative align to 3 of the administration's strategies: Linking data across programs and Government, applying behavioral insights to improve results and lower costs in operations, and Strengthening Agency Capacity to Use Evidence. The following illustrates the initiatives and the alignment to evaluation and innovation strategy.

1. Linking data across programs and Government: Closing Skills Gaps for Mission Critical Occupations

OPM is intimately involved in the Government-wide effort to close skills gaps for mission critical occupations. In partnership with the Department of Defense, OPM co-chairs the Chief Human Capital Officer (CHCO) Council, and co-chairs the Integrated Product Team (IPT) of action officers working group. This group has worked to define Government-wide competencies including the establishment of a clear, transparent, replicable process for institutionalization in the future. OPM has actively engaged the Chief Management Officer Councils and the Office of Management & Budget (OMB) to collaborate on the IPT findings and the proposed strategies to close skills gaps either by closing staffing gaps or by closing competency gaps.

Additionally, OPM conducted a Government-wide census survey in the fall of 2012 to determine existing competency gaps for the seven mission critical competencies. The survey will target all employees who are GS-12 through GS-15, will be the first of its type in assessing competencies since the population is not limited to particular positions. OPM has developed comprehensive short-term and long-term strategies to close staffing gaps as well as to address priority competences. OPM has worked closely with the Government Accountability Office (GAO) in its strategy development and implementation activities designed to increase agency performance through recruiting, hiring, developing and retaining a workforce with the needed competencies to meet mission objectives.

2. Linking data across programs and Government: HRstat Pilot

OPM is spearheading the Government-wide efforts to deliver an efficient, effective and accountable Government based on OMB's guidance to agencies via Memorandum M-11-31. Per

the Government Performance and Results Modernization Act and OMB guidance, agencies are required to begin performance reviews at least quarterly to monitor progress on the Agency Priority Goals published in the FY 2011 President's Budget.

HRstat pilot is the vehicle proposed to adhere to these requirements. HRstats' are data-driven reviews, led by the Chief Human Capital Officer (CHCO) with a focus on key Human Resource Management (HRM) metrics that drive agency performance and mission accomplishment with OPM and OMB participation. OPM sought the participation of agencies with the following characteristics:

- A committed and engaged leadership;
- Interest in developing improved performance and HRM analytics methods;
- Interest in developing improved data systems; and
- Interest in collaborating with other councils, program managers, and goal leaders on developing HRstat.

The goal of the HRstat pilot is to assist agencies in developing a process to use HRM goals, measurement, analysis, and data-driven reviews in order to improve the results of HRM and programs while enhancing the effectiveness and efficiency of agency operations. In addition, OPM seeks to develop an alternative evaluation mechanism to replace the Human Capital Management Report (HCMR) with a vehicle that better demonstrates the integration between HRM results and mission accomplishment. In addition, OPM also seeks to develop recommendations for the Chief Human Capital Officers Council and the Performance Improvement Council on the Government-wide implementation of HRstat.

3. Applying behavioral insights to improve results and lower costs in operations: Re-Design of FEHB Plan Choice

Each year, four million Federal employees and retirees choose a health plan from among the more than 200 health plan options available under the Federal Employees Health Benefits program. While the number of health plan choices in any geographic area is far fewer than 200 (typically about 10 – 15), the exercise can be daunting. Faced with a complex choice and inadequate information, the overall consumer response is one of inertia; in any given year only between 5 and 7 percent of employees and retirees change health plans.

Research that examined employee and retiree views of decision-making indicates that: 1) choosing a health plan is difficult task for many people; 2) consumers overweigh the impact of deductible/cost-share; 3) various plan dimensions matter to different people; and, 4) doctor/practice choice matters to many.

OPM has assembled a cross-agency team to undertake the re-design of Open Season and evaluate its impact, including operational staff from Healthcare and Insurance, Policy and Planning Analysis, and behavioral economist consultants. OPM's Deputy Performance Improvement Office and OPM's Chief Medical Officer also provide advice on the development of this project.

In June, 2012, the team convened in OPM's Innovation Center and employed human centered design facilitation techniques to further define the problem statement and develop a plan of action. The work plan for FY 2013 and FY 2014 calls for learning more about health plan choice through additional consumer engagement, developing targeted approaches of informing consumers of health plan choices (to be rolled out in the 2013 Open Season), and collecting data on health plan choices made by the various target groups. Later in FY 2015, OPM will evaluate the data on health plan choice and follow up with the target groups to better understand the choice process.

Improving health plan choice is fundamental to the FEHB program, which derives efficiency gains from a competitive marketplace model. If consumers are able to make well-informed choices, health plans will respond with products tailored to consumer needs.

OPM is in the beginning phases of developing the capability of integrating various analytical capabilities available to OPM to evaluate program performance: the Federal Employee Viewpoint Survey data, Statistical Data Mart, and other publicly available data sources:

4. Strengthening Agency Capacity to Use Evidence: Science, Technology, Engineering, and Math (STEM) Analysis

OPM is currently working on a workforce analysis paper of the current state of STEM occupations within the Federal Government. We are incorporating both Statistical Data Mart (SDM) and the Federal Employee Viewpoint survey (FEVS) data in the data analysis. The STEM workforce is vital to the productivity and effectiveness of the Federal Government.

5. Strengthening Agency Capacity to Use Evidence: Retirement Prediction Model

This is a collaborative research project within the Office of Planning and Policy Analysis (PPA). The objective is to model historical retirement patterns of Federal employees and formulate predictions of retirements to occur in the subsequent year. Data for this project includes the Statistical Data Mart (SDM), the FEVS, and economic data such as, the S&P 500 stock market index average for the calendar year, the economic policy uncertainty index average during the calendar year, and the average national unemployment rate during the calendar year.

6. Strengthening Agency Capacity to Use Evidence: The Federal Employee Viewpoint Survey Online Reporting and Analysis Tool

This is a web-based capability developed to enable agencies that participate in the survey to run online analyses and display various types of reports in real time from a standard web browser.

Key features include:

- Static OPM generated reports (16 different types);
- Pre-configured reports (8 customized report formats); and
- Analysis on Demand (conduct customized queries of your agency's data).

7. Strengthening Agency Capacity to Use Evidence: Expansion of FedScope Cubes available to the Public

FedScope is OPM's online tool that presents data from the EHRI-SDM in a more "analysis on demand" environment to the public for varying levels of consumption. OPM plans to continually review cubes and, in accordance with its data release policy, make a concerted effort to make additional data elements and data cubes available to the public for enhanced analyses.

8. Strengthening Agency Capacity to Use Evidence: Increasing the Utility of Data Contained in the EHRI Data Warehouse

The EHRI data warehouse has matured over the years and user expectations have grown considerably. In an effort to increase the utility of EHRI data, OPM plans to:

- Exploit the ability of new data elements (e.g., cybersecurity designation, telework eligibility, and national security personnel designation) to more effectively manage and plan for the Federal workforce; and
- Explore options of making more raw data available for complimenting other systems and increasing knowledge about the Federal workforce.

Other Requirements

Report Consolidation

The existing OPM list is current. We do not have an update at this time.

Table of Abbreviations

| Abbreviation | Description |
|---------------------|--|
| ACA | Affordable Care Act |
| ACE | Agency Compliance and Evaluation |
| ACSI | American Customer Satisfaction Index |
| ACWA | Administrative Careers With America |
| AED | Automated External Defibrillator |
| ALJ | Administrative Law Judges |
| APG | Agency Priority Goals |
| APR | Agency Performance Report |
| ASF | Acquisition and Systems Fee |
| BFE | Budget Formulation and Execution |
| BRM | Business Reference Model |
| BS | Benefits Systems |
| CAHPS | Consumer Assessment of Healthcare Providers and Systems |
| CAP | Cross-Agency Priority |
| CARE | Compassion, Accuracy, Responsiveness and Empowerment |
| CAU | Competency Assessment Upgrade |
| CBIS | Consolidated Business Information System |
| CBO | Congressional Budget Office |
| CDC | Centers for Disease Control |
| CDP | Candidate Development Programs |
| CFC | Combined Federal Campaign |
| CFI | Centrally Funded Items |
| CFO | Chief Financial Officer |
| CFR | Code of Federal Regulations |
| CHCO | Chief Human Capital Officer |
| CHCOC | Chief Human Capital Officer Council |
| CHRIS | Comprehensive Human Resources Integrated System |
| CHRS | Customized Human Resources Service |
| CIO | Chief Information Officer |
| CLD | Center of Leadership Development |
| CLIA | Congressional, Legislative and Intergovernmental Affairs |
| CLO | Chief Learning Officers |
| CMS | Center for Medicare and Medicaid Services |
| COG | Continuity of Government |
| COLA | Cost-of-living Adjustment |
| COOP | Continuity of Operations Program |
| CPL | Communications and Public Liaison |
| CR | Continuing Resolution |

| Abbreviation | Description |
|---------------------|--|
| CS | Constituent Services |
| CSRDF | Civil Service Retirement and Disability Fund |
| CSRS | Civil Service Retirement System |
| CSS | Customer Service Specialists |
| CVS | Central Verification System |
| DAIP | Disaster Assistance Improvement Program |
| DCFSA | Dependent Care Flexible Spending Account |
| DE | Delegated Examining |
| DHHS | Department of Health & Human Services |
| DHS | Department of Homeland Security |
| DI | Diversity and Inclusion |
| DNI | Director of National Intelligence |
| DOD | Department of Defense |
| DOJ | Department of Justice |
| DOL | Department of Labor |
| DOT | Department of Transportation |
| DVAAP | Disabled Veterans Affirmative Action Program |
| EAP | Employee Assistance Programs |
| ECQs | Executive Core Qualifications |
| EEO | Equal Employment Opportunity |
| EEOC | Equal Employment Opportunity Commission |
| e-Gov | Electronic Government |
| EHRI | Enterprise Human Resources Integration |
| EHRI-SDM | Enterprise Human Resources Integration – Statistical Data Mart |
| EO | Executive Order |
| eOPF | Electronic Official Personnel Folders |
| EPP | Employee Personal Page |
| e-QIP | Electronic Questionnaires for Investigations Processing |
| ERC | Experience Rated Carriers |
| ES | Employee Services |
| ESCS | Executive and Schedule C System |
| ESO | Executive Secretariat & Ombudsman |
| FAA | Federal Aviation Administration |
| FACES | Federal Annuity Claims Expert System |
| FCAT | Federal Competency Assessment Tool |
| FEBs | Federal Executive Boards |
| FEDVIP | Federal Employees Dental and Vision Insurance Program |
| FEGLI | Federal Employees Group Life Insurance |
| FEHB | Federal Employees Health Benefits |
| FEHBP | Federal Employees Health Benefits Program |
| FEIO | Federal Employee Insurance Operations |
| FERRCA | Federal Erroneous Retirement Coverage Correction Act |

| Abbreviation | Description |
|---------------------|--|
| FERS | Federal Employees Retirement System |
| FERS-RAE | Federal Employees Retirement System-Revised Annuity Employee |
| FEVS | Federal Employee Viewpoint Survey |
| FIS | Federal Investigative Services |
| FLSA | Fair Labor Standards Act |
| FLTCIP | Federal Long-Term Care Insurance Program |
| FMFIA | Federal Managers Financial Integrity Act |
| FMLoB | Financial Management Line of Business |
| FOIA | Freedom of Information Act |
| FPRAC | Federal Prevailing Rate Advisory Committee |
| FRAE | Further Revised annuity employees |
| FSA | Flexible Spending Account |
| FSAFEDS | Flexible Spending Accounts for Federal Employees Program |
| FSC | Facilities, Security & Contracting |
| FSG | Federal Staffing Group |
| FTE | Full-time Equivalent |
| FWS | Federal Wage System |
| FY | Fiscal Year |
| GAO | Government Accountability Office |
| GEAR | Goals Engagement Accountability Results |
| GovU | Government University |
| GPO | Government Printing Office |
| GPRA | Government Performance and Results Act |
| GS | General Schedule |
| GSA | General Services Administration |
| HC | Human Capital |
| HCAAF | Human Capital Assessment and Accountability Framework |
| HCDW | Health Claims Data Warehouse |
| HCFSA | Health Care Flexible Spending Account |
| HCM | Human Capital Management |
| HCME | Human Capital Management Evaluations |
| HCMR | Human Capital Management Report |
| HEDIS | Healthcare Effectiveness Data and Information Set |
| HHS | Health and Human Services |
| HI | Healthcare & Insurance |
| HR | Human Resources |
| HR U | HR University |
| HRA | Health Risk Appraisal |
| HRIT | Human Resources Information Technology |
| HRITT | Human Resources Information Technology Transformation |
| HRLOB | Human Resources Line of Business |
| HRM | Human Resources Management |
| HRS | Human Resources Solutions |

| Abbreviation | Description |
|---------------------|---|
| HRTT | Human Resources Tools and Technology |
| HRU | Human Resources University |
| HSPD | Homeland Security Presidential Directive |
| HUD | Housing and Urban Development |
| HUMRRO | Human Resources Research Organization |
| IA | Intergovernmental Affairs |
| IHCIA | Indian Health Care Improvement Act |
| IOC | Office of Internal Oversight & Compliance |
| IPT | Integrated Product Team |
| IQ | Inclusion Quotient |
| IRB | Investment Review Board |
| IRM | Information Resources Management |
| IRTPA | Intelligence Reform and Terrorism Prevention Act |
| IS | Investigative Services |
| ISP | Internet Service Provider |
| IT | Information Technology |
| JRE | Joint Reform Effort |
| LA | Legislative Affairs |
| LAS | Legal Administrative Specialists |
| LEAD | Leadership Education and Development |
| LEX HCFSA | Limited Expense Health Care Flexible Spending Account |
| LFCC | Local Federal Coordinating Committee |
| LOB | Line of Business |
| LTC | Long Term Care |
| MAP | Move Ahead for Progress |
| MCO | Mission Critical Occupations |
| MSAC | Merit System Accountability & Compliance |
| MSPB | Merit Systems Protection Board |
| MSPP | Multi-State Plan Program |
| MSPs | Multi-State Plans |
| NBC | National Business Center |
| New IQ | New Inclusion Quotient |
| NFC | National Finance Center |
| NIH | National Institutes of Health |
| O&M | Operations & Maintenance |
| OASDI | Old Age, Survivors and Disability Insurance |
| OD | Office of the Director |
| ODC | Other Direct Costs |
| OEP | Occupant Emergency Programs |
| OGC | Office of the General Counsel |
| OHI | Organizational Health Index |
| OIG | Office of the Inspector General |
| OMB | Office of Management and Budget |

| Abbreviation | Description |
|---------------------|--|
| OPM | Office of Personnel Management |
| ORA | On-Line Retirement Application |
| P&L | Pay and Leave |
| P.L. | Public Law |
| PAAT | Performance Appraisal Assessment Tool |
| PBM | Pharmacy Benefit Manager |
| PCFO | Principal Combined Fund Organization |
| PCI | Performance Culture Index |
| PCIP | Pre-existing Condition Insurance Plan |
| PII | Personal Identifiable Information |
| PIO | Performance Improvement Officer |
| PIPS | Personnel Investigations Processing System |
| PIV | Personal Identity Verification |
| PLR | Partnership and Labor Relations |
| PMC | President's Management Council |
| PMF | Presidential Management Fellows |
| PMLOB | Performance Management Line of Business |
| PPA | Planning and Policy Analysis |
| PSRHBF | Postal Service Retiree Health Benefits Fund |
| PTO | Patent and Trademark Office |
| QLE | Qualifying Life Event |
| QRB | Quality Review Board |
| RAE | Revised Annuity Employees |
| REHB | Retired Employees Health Benefits |
| RF | Revolving Fund |
| RFEHBA | Retired Federal Employees Health Benefits Act |
| RMOs | Resource Management Officers |
| ROI | Return on Investment |
| RS | Retirement Services |
| S&E | Salaries & Expenses |
| SES | Senior Executive Service |
| SF | Standard Form |
| SL | Senior Level |
| SOL | Service-On-Line |
| SSA | Social Security Administration |
| SSC | Shared Service Centers |
| SSM | Systems/Standards/Metrics |
| SSP | Shared Service Provider |
| ST | Scientific and Technical |
| STEM | Science Technology Engineering and Mathematics |
| SWP | Strategic Workforce Planning |
| TBD | To Be Determined |
| TF | Trust Fund |

| Abbreviation | Description |
|---------------------|---|
| TFA | Trust Fund Annual |
| TMAP | Training and Management Assistance Program |
| TMO | Telework Management Officer |
| TPA | Third Party Administrator |
| TRB | Theodore Roosevelt Building |
| USC | United States Code |
| USERRA | Uniformed Services Employment and Reemployment Rights Act |
| VA | Department of Veterans Affairs |
| VERA | Voluntary Early Retirement Authority |
| VOW | Veterans Opportunity to Work |
| VR | Voting Rights |
| VRRM | Voting Rights and Resource Management |
| VSIP | Voluntary Separation Incentive Payment |
| WHF | White House Fellows |



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