

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

# **Fiscal Year 2022 Congressional Budget Justification and Annual Performance Plan**





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# Executive Summary

## FY 2022 Budget Overview

Over 40 years ago, the U.S. Office of Personnel Management (OPM) was established to serve as the chief human resources (HR) office and personnel policy manager for the Federal Government. The mission of the agency is to lead and serve the Federal Government in enterprise human resources management by delivering policies and services to achieve a trusted, effective, civilian workforce. OPM executes, enforces, and administers the laws governing the civil service. Further, OPM directs HR, administers retirement benefits, manages healthcare and insurance programs, and oversees merit-based and inclusive hiring into the civil service.

After prolonged disinvestment in its workforce and threats to the non-partisan nature of civil service, the Federal Government needs a strong, strategic HR leader to repair and rebuild the Federal workforce. OPM can and should be that leader-but it will require new resources to maximize its potential to support the Federal Government's mission.

OPM requests **\$372,000,000** in discretionary resources for FY 2022. This will support OPM's executive leadership, administrative operations, and services to the Federal Government, its employees, retirees, and the American people. This FY 2022 budget request includes funding to reassert OPM's policymaking leadership responsibilities and implement Executive Orders and other guidance to the Federal workforce on a wide variety of pressing issues, to carry out other existing statutory responsibilities, and to address administrative support funding gaps created by the transfer of background investigation responsibilities to the Department of Defense (DOD).

## OPM Budget FY 2020 through FY 2022 – Discretionary Resources

OPM Budget Authority	FY 2020 Enacted	FY 2021 Enacted	FY 2022 CBJ
<b>Salaries and Expenses Total</b>	<b>\$145,137,000</b>	<b>\$160,130,000</b>	<b>\$197,000,000</b>
Salaries & Expenses	\$131,137,000	\$151,130,000	\$188,158,000
IT Modernization S&E	\$14,000,000	\$9,000,000	\$8,842,000
<b>Trust Fund Total</b>	<b>\$154,625,000</b>	<b>\$169,625,000</b>	<b>\$175,000,000</b>
Trust Fund Annual	\$154,625,000	\$169,625,000	\$175,000,000
<b>Discretionary Appropriation</b>	<b>\$299,762,000</b>	<b>\$329,755,000</b>	<b>\$372,000,000</b>
Salaries & Expenses - OIG	\$5,000,000	\$5,000,000	\$5,345,000
Trust Fund Annual - OIG	\$25,265,000	\$27,265,000	\$29,565,300
<b>OIG Discretionary Appropriation</b>	<b>\$30,265,000</b>	<b>\$32,265,000</b>	<b>\$34,910,300</b>
<b>OPM Total</b>	<b>\$330,027,000</b>	<b>\$362,020,000</b>	<b>\$406,910,300</b>

## OPM Strategic Priorities

OPM is engaged in three related planning processes to lay the foundation for the agency's future: development of a new Strategic Plan for FY 2022-2026 that reflects the priorities of the Biden-Harris Administration, creation of action plans to address key recommendations in a Congressionally mandated

report by a panel of the National Academy of Public Administration entitled *Elevating Human Capital: Reframing the U.S. Office of Personnel Management's Leadership Imperative*, and a workforce analysis study that will inform decisions on how OPM can use its internal human capital resources to maximize performance.

This budget request aligns resources to those goals and objectives in the agency's current FY 2018-2022 Strategic Plan that remain priorities. OPM's current strategic plan sets forth four goals: three strategic goals to transform the way OPM delivers on its core mission, and one operational excellence goal to improve agency operations and management. The goals and related objectives are designed to advance OPM's core mission, contribute to efficiency across Government in the area of human capital management, and more effectively serve job seekers, employees, beneficiaries, and other Federal agencies.

OPM performs key functions required by statute, regulation or Executive Order. These functions fall within three broad areas: Human Capital Management Leadership, which includes policy, services, and oversight; Benefits, which includes the policy and the delivery of Federal retirement programs, health benefits, and life insurance for employees and annuitants, and related oversight and adjudicative functions; and Vetting, which includes policy, adjudications, and oversight functions related to suitability, as well as responsibilities relating to fitness and credentialing.

## **FY 2022 Agency Priorities**

The Biden-Harris Administration has signaled a commitment to strengthening OPM as part of a broader pledge to empower Federal employees and rebuild the workforce. Consistent with that commitment, OPM has been directed to support implementation of numerous early executive actions – as described below – with substantive and new requirements that exceed current staff capacity. The agency is also seeking resources to continue its implementation of the *Foundations for Evidence-Based Policymaking Act of 2018* (Evidence Act) by hiring a Chief Data Officer and critical research and evaluation staff to fulfill OPM's responsibilities under the Evidence Act and promote evidence-based policymaking.

**Diversity, Equity, Inclusion and Accessibility (DEIA) in the Federal Workforce** – OPM intends to reinvigorate and expand its Governmentwide leadership role in DEIA, which started in 2011 per the Obama administration Executive Order (EO) 13583, Establishing a Coordinated Government-Wide Initiative to Promote Diversity and Inclusion in the Federal Workforce, which strengthened the Federal workforce by promoting diversity and inclusion through the development of an OPM co-led Government-wide strategic plan, and inter-agency council. OPM is also expecting to be tasked with providing technical assistance to agencies on the development of their agency-specific plans, and will have responsibility for collecting data, promoting paid internships, expanding partnerships with minority-led and serving institutions, analyzing demographic data to enhance broad recruitment, training, and providing guidance. In order to lead this work effectively, OPM leadership intends to reorganize the Office of Diversity and Inclusion, restore Senior Executive Service (SES) leadership to the office, and create a direct line of reporting to the Director of OPM. To fully execute on the promise of this agency goal – a key Biden-Harris administration priority – and support the most up-to-date DEIA skills development and continuing education Government-wide for agency DEIA leaders and DEIA

practitioners, as well as provide the level of technical assistance and tools for agency teams required by the EO, OPM needs to increase the size of the DEIA team and the budget for programmatic support, training, content development and expanded access to the latest subject matter expertise in this evolving field.

**Protecting the Federal Workforce-** Executive Order 14003 – Issued on President Biden’s third day in office - calls for a fundamental reset of Federal labor relations as a core pillar of the Administration’s push to empower Federal workers and promote collective bargaining across the American labor market. To comply with the Executive Order, agencies may need to partially re-open many of the 2,000+ collective bargaining agreements across the Government. Agencies have also been asked to change the scope of their bargaining moving forward to include a broader set of topics. But the work goes far beyond these specific actions. To truly reset labor relations, agencies and unions need to sit down together to collaborate on the critical challenges facing the country. It is not enough to carry out the specific directions in the EO. Rather, there needs to be a commitment to a new way of engaging employees and their unions, as an indication of the contributions and expertise of the career civil service. OPM will have significant responsibilities to deliver on the President’s policy, including providing extensive technical assistance for agencies adapting to new realities, serving as the point of escalation in disagreements between agencies and unions in interpreting the EO and OPM’s guidance (expected to be numerous), and providing significant technical assistance to promote compliance and advance productive engagement and collaboration.

**Presidential Memorandum on Revitalizing America’s Foreign Policy and National Security Workforce, Institutions, and Partnerships** – Aims to revitalize the national security workforce as a core component of the President’s efforts to keep the country safe. In doing so, the memorandum lays out an ambitious vision for reform that touches on nearly every aspect of the talent process, including recruitment, hiring, training and advancement, security clearance reform, veterans hiring, and more. As a vice-chair of the task force set up to implement this directive, OPM serves as the human capital subject matter expert for national security partners and agencies that make up more than 2/3 of all Federal employees, including the DOD, Veterans Affairs (VA), and the Intelligence Community. OPM will need to provide hands-on technical expertise, while also aligning this work with parallel Administration human capital priorities, such as the emerging efforts to promote diversity, equity, inclusion, and accessibility. This effort will engage nearly the entire OPM senior team and enlist resources from offices across the agency.

**Address significant attrition across critical occupations** - Federal agencies have experienced attrition over the last four years, diminishing their capacity to meet the urgent challenges facing the country. Early executive actions call on OPM to work proactively with agencies to hire data scientists, technologists, and refugee officers — among other occupations - while also taking on the critical task of recruiting more people into Government overall. To rise to the occasion, OPM needs to take on a role as strategic partner to agencies to help them meet their talent needs. This will require a more proactive and resource intensive approach that combines effective policy guidance with hands on implementation support to agencies. This work, coupled with the implementation of high-profile regulations, will take significant resources.

In the wake of the transition of investigative services to DCSA, and the abandonment of the proposal to merge OPM into GSA, it is time to right size resources to cover fixed costs that did not decrease proportionately when NBIB transferred to DCSA. This budget request seeks to continue incremental improvements in the agency's information technology and cybersecurity posture, finance other mission elements at current staffing levels, and continue to modernize the financial system used to account for and manage Federal Earned Benefits Trust Funds.

**Reliability and Security of Information Technology Infrastructure** -The Office of the Chief Information Officer (OCIO) has focused on reducing risks and enhancing customer benefits of OPM's IT systems, applications, and infrastructure through the migration of its systems to strategic data centers or other shared services, which is also consistent with the requirements of OMB Memorandum M-19-19. It is also modernizing the existing computing infrastructure with common security controls, current technology, and modern operations practices. In FY 2020, the OCIO successfully disentangled the legacy background investigations systems and data from core OPM systems, and deployed the systems onto modern hardware with fully redundant capabilities. If one system fails, another can automatically take over. OPM will continue to provide IT support to DCSA in FY 2022 but at diminished levels that are still being determined. Success in OCIO's modernization efforts has enhanced security, reduced risks to IT operations, and improved services to internal and external OPM customers.

The OPM OCIO continues to strengthen OPM cybersecurity through an enterprise-wide, centralized cybersecurity office that governs security operations, continuous monitoring, and IT security policy. This centralized office provides the issuance and implementation of policies that incorporate emerging technologies and evolving cyber threats and facilitates data-driven, risk-based oversight of agency-wide business programs. The OCIO, through the cybersecurity continuous monitoring and policy implementation, incorporates security best practices within the system development life cycle. Additionally, the OCIO encompasses a comprehensive security operations program that protects data continuously and in real-time.

**Modernize the Federal Annuity Experience** - OPM seeks to create a modern retirement experience for employees who have earned these benefits over a career of serving the American Public. In preparation, OPM will spend FY 2022 scoping the following three major priorities: call center service, digital retirement, and digital file management. OPM plans to setup new telephony to serve retirees and will look into new features such as multimodal communications, automated inquiries, and call back capabilities that aim to reduce call times and increase the quality of customers experience.

OPM will also look into a digital retirement system which aims to retire individuals entirely online. OPM seeks a system that will allow individuals to apply for their annuity directly with OPM, rather than sending paper files to payroll providers who in turn send them to OPM. OPM also envisions that the system will create a profile for individuals so that OPM can communicate the status of their individual case from the time they submit, all the way through tax season each year they receive an annuity. OPM anticipates that these enhancements will be a significant improvement to the retirement experience, as it will consolidate the numerous touchpoints an annuitant may have into a single place where they can receive their benefits.



Further, in concert with the digital retirement improvements, OPM will also explore consolidating digital file management into a single system. This effort has previously been called “case management;” the desired solution will not be reliant on an OPM-wide solution before retirement-specific capabilities can be built and deployed.

### **Trust Funds Federal Financial System Modernization**

The replacement of the financial system used to manage OPM’s Earned Benefits Trust Funds continues to be a strategic priority. The Federal Financial System, deployed in 1998, supports trust funds accounting and associated financial management activities. This legacy system supports management of more than \$1 trillion in combined assets for the retirement, health benefits, and life insurance programs for Federal employees, with more than 8 million participants in the Federal Employees Health Benefits Program and more than 2.7 million monthly annuitant payments. Because of new developments not anticipated at the time of deployment of these systems, OPM has implemented additional manual processes to meet the business needs for Trust Funds management. The combination of legacy systems and manual processes has required OPM to rely on highly specialized, scarce resources to maintain ongoing operations.

OPM initiated the Trust Funds Modernization Program in FY 2017 to transform the trust funds service delivery model to an agile, analytical, and customer-focused program with an upskilled workforce that provides best in class trust funds accounting and investment services to the Federal Government. In FY 2018, OPM conducted a trust funds operations assessment which resulted in a future state that encompasses a modernized solution, optimizes business capabilities, and recommended an incremental delivery strategy. Subsequently in FY 2019, OPM engaged the Department of the Treasury, Bureau of the Fiscal Service, Administrative Resource Center as the Federal financial management solution provider. This partnership is aligned with OMB Memorandum M-19-16 which focuses on improving agencies’ ability to deliver mission outcomes, provide improved services to customers, and leverage standardized administrative services in a more consistent and secure operating environment.

In FY 2019, OPM undertook development activities to streamline cash management processes and automate the data collection for aggregated life, retirement, and health enrollees. OPM has achieved significant milestones as the agency continues to follow an incremental delivery strategy. As part of the modernization, a headcount automation initiative deployed an automated process to streamline semi-annual data collection of earned benefit program participation from 236 Federal payroll offices. The automated data collection process facilitates the timely delivery of health plan rate determination. In the March 2020 Headcount, 60 percent of headcount reports were submitted electronically via the new Headcount Collection System with a 96.1 percent acceptance rate which resulted in a reduced effort associated with entering and validating manually submitted reports. Also, in FY 2020, in partnership with Treasury, OPM launched On-Line Bill Pay functionality to automate current manual payments by benefit program participants related to service credit, debt collection, and off roll actions. This service provided an efficient and effective cash handling solution that leverages proven technology, improves business processes, and reduces internal control risk exposure, along with payment processing delays. Additionally, in FY 2020, OPM continued to make progress on the Federal Financial System replacement project.

Organizational change management activities focused on analyzing the current trust funds operational workforce and OCFO organizational structure are underway. Inputs from these activities will drive workforce reskilling and workforce alignment strategies that are integrated with the technology transformation effort. OPM also developed a preliminary target state environment, a migration strategy, and a migration timeline. In FY 2021, OPM plans to continue to partner with Treasury on the development and configuration activities associated with core financial management functionality and investment management functionality, which will be operational in FY 2023. OPM will also develop and deploy enhanced reporting and analytics functionality. All Trust Funds Modernization project components should be complete and operational in FY 2023. Looking ahead, the outcomes of this multi-year endeavor will significantly reduce manual business processes, reduce errors, strengthen internal controls, and improve overall customer service to the American people. This budget request devotes \$8,842,000 to this effort in FY 2022.

### **OPM's Administrative Functions Without Background Investigations**

Section 925 of the National Defense Authorization Act (NDAA) for FY 2018 conferred upon the Secretary of Defense the authority to conduct all types of background investigations for Department of Defense (DOD) personnel. In conjunction with that change, Congress directed DOD, in consultation with OPM, to provide for a phased transfer of this function from OPM to DOD, mandated that this transition not later than October 1, 2020, and authorized the transfer of other OPM functions, relating to the DOD background investigations, that the Secretary and the Director jointly considered appropriate. In June 2018, the previous Administration released *Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations*, which identified its intent to keep the background investigation mission together, by subsequently realigning the entire program from OPM to DOD. Pursuant to Executive Order 13869 and OPM delegations, OPM's responsibility as the primary investigative services provider for the Federal Government was formally shifted to DOD on September 30, 2019. As part of the transition, DOD entered into Economy Act service agreements to "buy back" services provided by OPM's financial management systems and staff, the existing background investigations systems that had previously supported OPM's National Background Investigation Bureau, hardware and infrastructure, and facilities and procurement support. Although the transfer of function removed more than 2,700 employees and more than \$1 billion in revenue, the background investigations program still relies on OPM infrastructure and administrative services.

In FY 2022, OPM expects that the support agreements with DCSA will continue, but yield few shared efficiencies. Therefore, our budget does not include an estimate of the agreements. Many of the efficiencies remaining arise because DCSA, as a result of absorbing OPM's National Background Investigations Bureau (NBIB), co-occupies OPM's headquarters, the Theodore Roosevelt Building. OPM operates and maintains this facility via delegated authority from the General Services Administration and budgets for these costs. OPM notes, however, that Congress's original intention, in constructing the TRB was to house the functions of the Civil Service Commission, which included functions now performed by the Merit Systems Protection Board, the Office of Special Counsel, the Office of Government Ethics, and the Federal Labor Relations Authority as well as OPM, which would have precluded occupancy by DCSA or other agencies.

## FY 2022 Budget Request by Fund

OPM estimates that its total operating budget in FY 2022 will be **\$1,047,840,802**. OPM is funded by a variety of sources. One of its largest sources is the Revolving Fund, which was created by statute and is comprised of fees and reimbursements provided by agencies for various required activities and services that OPM provides. Revolving Fund activity reflected below includes human resources services, the policy, adjudicative, and oversight work of the Suitability Executive Agent, credit monitoring services resulting from prior cybersecurity incidents involving OPM systems, and the administration of tools and technologies used to carry out such services, or statutory requirements, such as the posting requirement effectuated through USAJOBS.

### OPM Budget by Fund FY 2020 through FY 2022

OPM Budget Authority	FY 2020 Enacted	FY 2021 Enacted	FY 2022 CBJ
<b>Discretionary Appropriation</b>	<b>\$299,762,000</b>	<b>\$329,755,000</b>	<b>\$372,000,000</b>
<b>Salaries and Expenses Total</b>	<b>\$145,137,000</b>	<b>\$160,130,000</b>	<b>\$197,000,000</b>
Salaries & Expenses	\$131,137,000	\$151,130,000	\$188,158,000
IT Modernization S&E	\$14,000,000	\$9,000,000	\$8,842,000
<b>Trust Fund Annual Total</b>	<b>\$154,625,000</b>	<b>\$169,625,000</b>	<b>\$175,000,000</b>
<b>Mandatory Administrative Authorities</b>	<b>\$66,956,125</b>	<b>\$74,328,075</b>	<b>\$77,107,598</b>
<b>Trust Fund Mandatory Authority</b>	<b>\$66,956,125</b>	<b>\$74,328,075</b>	<b>\$77,107,598</b>
5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$56,471,571	\$63,933,525	\$67,489,696
5 U.S.C. § 8958(f)(2)(A) & 5 U.S.C. § 8988(f)(2)(A) - Dental & Vision	\$7,226,455	\$8,017,107	\$7,039,254
5 U.S.C. § 9004(f)(B) - Long-Term Care	\$1,036,367	\$1,020,500	\$1,106,670
FERCCA (P.L. 106-265) - Retirement	\$2,221,732	\$1,356,943	\$1,471,978
<b>Revolving Fund</b>	<b>\$857,237,726</b>	<b>\$522,303,918</b>	<b>\$549,618,781</b>
<b>Advance and Reimbursements</b>	<b>\$169,255,203</b>	<b>\$93,063,500</b>	<b>\$14,204,123</b>
<b>OIG Discretionary Appropriation</b>	<b>\$30,265,000</b>	<b>\$32,265,000</b>	<b>\$34,910,300</b>
Salaries & Expenses - OIG	\$5,000,000	\$5,000,000	\$5,345,000
Trust Fund Annual - OIG	\$25,265,000	\$27,265,000	\$29,565,300
<b>OPM Total</b>	<b>\$1,423,476,054</b>	<b>\$1,051,715,493</b>	<b>\$1,047,840,802</b>

OPM's discretionary request consists of an appropriation for OPM's program and leadership activities, and a limitation on transfers from the Earned Benefits Trust Funds under OPM management. OPM's FY 2022 discretionary request is **\$372,000,000**. OPM also manages the mandatory appropriations that provide for the transfer of resources from the Government's general fund to the Earned Benefits Trust Funds for Federal employees and annuitants' benefits. The Trust Funds and the associated mandatory appropriations are discussed in more detail in the Earned Benefit Trust Funds section of this budget. Each OPM fund is described below.

## **Salaries and Expenses**

OPM requests **\$197,000,000** in Salaries and Expenses (S&E) funds for personnel and non-personnel resources, which includes **\$8,842,000** for IT Modernizations. The IT Modernization efforts will be focused on continuing the Trust Fund Modernization initiated in FY 2017. The S&E appropriation funds the agency's various program offices as they implement OPM's strategic plan and perform OPM's core statutory roles, including providing direction and oversight to other Federal agencies.

## **Trust Fund Transfers**

For the administration of the civil service retirement and insurance programs, OPM requests **\$175,000,000** in administrative transfers from the Earned Benefits Trust Funds. OPM is responsible for managing the Federal Government's health benefits and life insurance programs under the Federal Employees Health Benefits (FEHB) Program 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 by the Civil Service Retirement and Disability Fund (CSRDF). The administrative Trust Fund transfers partially fund Retirement Services (RS), Healthcare and Insurance (HI), Office of the Chief Information Officer (OCIO), and Office of the Chief Financial Officer (OCFO) operations.

These transfers are described as Trust Fund Annual in this request and come from the following Trust Funds subject to Congressional limitation:

- Civil Service Retirement and Disability Fund (CSRDF);
- Federal Employees Health Benefits Fund (FEHBF); and
- Federal Employees' Group Life Insurance Fund (FEGLI).

## **Mandatory Administrative Authorities**

Several provisions under Title 5 of the United States Code (U.S.C.) and the Federal Erroneous Retirement Coverage Corrections Act (FERCCA) authorize OPM to administer specific retirement program and insurance activities, and to transfer funds for the administrative cost of these activities from the Trust Funds. These authorities provide additional administrative transfers from the Trust Funds. Per 5 U.S.C. §8348 (a)(1)(B), OPM incurs expenses from Civil Service Retirement and Disability Fund (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;
- Withholding taxes pursuant to section 3405 of Title 26 or section 8345(k) or 8469 of this Title; and
- Administering fraud prevention (§8345, §8345a, 8466 and §8466a).

Within the CSRDF, OPM may also incur expenses as deemed appropriate for the administration of FERCCA (P.L. 106-265, Title II, Sept. 19, 2000, 114 Stat. 762). OPM may incur expenses to administer the Federal Long Term Care Insurance Program (FLTCIP) from Federal Employees' Group

Life Insurance FEGLI (Id. at Title I, §1002(a), codified at 5 U.S.C. §9004(f)(B)). Within FEHBP, OPM may defray reasonable expenses to administer the Federal Employees Dental and Vision Insurance Program (FEDVIP) (5 U.S.C. §8958 (f)(2)(A) and §8988 (f)(2)(A)). Resources used to administer the FLTCIP and FEDVIP are reimbursed to the FLTCIP and FEDVIP funds by the participating insurance carriers.

## Revolving Fund Activities

Business Line		FY 2021 Estimate	FY 2022 Estimate	Increase Decrease
Suitability Executive Agent	Revenue	\$9,269,948	\$9,676,700	\$406,752
	Obligations	\$9,269,948	\$9,752,551	\$482,603
Human Resources Solutions**	Revenue	\$323,636,010	\$336,954,903	\$13,318,893
	Obligations	\$304,809,138	\$331,579,849	\$26,770,711
Enterprise Human Resources Integration	Revenue	\$43,908,921	\$39,095,828	(\$4,813,093)
	Obligations	\$43,908,921	\$39,095,828	(\$4,813,093)
HR Line of Business	Revenue	\$3,150,000	\$3,150,000	\$0
	Obligations	\$3,150,000	\$3,150,000	\$0
Human Resources Solutions Information Technology Program Management Office	Revenue	\$74,516,076	\$79,000,250	\$4,484,174
	Obligations	\$76,029,412	\$80,208,760	\$4,179,348
Credit Monitoring	Revenue	\$85,149,096	\$86,040,876	\$891,780
	Obligations	\$85,136,499	\$85,831,793	\$695,294
<b>Total Revenue</b>		<b>\$539,630,051</b>	<b>\$553,918,557</b>	<b>\$14,288,506</b>
<b>Total Obligations*</b>		<b>\$522,303,918</b>	<b>\$549,618,781</b>	<b>\$27,314,863</b>

**Notes:**

\* When obligations exceed revenue, it is because business lines use unobligated balances from prior years (i.e., carryover).

\*\* FY22 shows a conservative increase as the impact of COVID is expected to lessen and USALearning delivery increases.

OPM requests authority in FY 2022 to incur **\$549,618,781** of obligations in its Revolving Fund. OPM's Revolving Fund was established by the Congress as a means of financing those activities that OPM is required or authorized to perform on a reimbursable basis (such as OPM's obligation to oversee the Governmentwide suitability, fitness, and credentialing programs and itself assess the suitability of applicants for the service when certain issues arise), and allows OPM to provide personnel management services to other Federal agencies via several well-established programs. Federal agencies pay OPM based on customer transactions, orders, fixed fees, or proportional contribution to cost. Broadly classified into four groups -- the Office of the Suitability Executive Agent (SuitEA), Human Resources Solutions (HRS), Enterprise Human Resources Integration (EHRI), and Credit Monitoring Services (CMS) -- these activities are performed by Federal staff and contractors qualified for the service throughout several OPM organizations.

## FY 2021 & FY 2022 Comparison of FTE — All Resources

OPM Budget Authority	FY 2021 Enacted	FY 2022 CBJ
<b>Salaries and Expenses</b>	<b>647.0</b>	<b>743.9</b>
<b>Trust Fund Annual</b>	<b>719.6</b>	<b>713.8</b>
<b>Trust Fund Mandatory Authority</b>	<b>477.8</b>	<b>471.2</b>
5 U.S.C. § 8348 (a)(1)(B) - Retirement	445.5	441.2
5 U.S.C. § 8958(f)(2)(A) & 5 U.S.C. § 8988(f)(2)(A) - Dental & Vision	19.5	15.1
5 U.S.C. § 9004(f)(B) - Long-Term Care	4.7	4.9
FERCCA (P.L. 106-265) - Retirement	8.0	10.0
<b>Revolving Fund</b>	<b>658.0</b>	<b>704.5</b>
<b>Advances &amp; Reimbursements</b>	<b>76.2</b>	<b>30.4</b>
<b>OIG Discretionary Total</b>	<b>159.3</b>	<b>163.1</b>
Salaries & Expenses - OIG	21.5	23.0
Trust Fund Annual - OIG	137.7	140.2
<b>OPM Total</b>	<b>2,737.9</b>	<b>2,826.9</b>

OPM’s FY 2022 budget will support approximately 2,664 full-time-equivalents (FTEs), exclusive of the Office of the Inspector General, which is addressed in a separate section. Of this total, the discretionary appropriation and Mandatory Trust Fund transfers will fund 1,929 FTEs (the sum of the Salaries and Expenses, Trust Fund Limitations, and Mandatory Trust Fund Authority totals). These employees deliver OPM’s Government-wide responsibilities relating to human capital management leadership, benefits, and additional mission and mission support activities. The agency’s remaining allocation of 735 FTE are funded by the Revolving Fund and Advances and Reimbursements. The FY 2022 FTE remains flat with the FY 2021 Enacted level. This is attributable to the increase of 66 FTE in HR Solutions as the program seeks to backfill and retain positions that were long-vacant due to attrition and a decrease in A&R FTE. The positions that HR Solutions regains in FY 2022 will strengthen the program’s services to other Federal agencies on leadership development and consulting services provided to Federal Government partners. The remaining increase in FTEs is to support implementation of early executive actions which include *Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce*, *Protecting the Federal Workforce*, *Presidential Memorandum on Revitalizing American’s Foreign Policy*, and *National Security Workforce, Institutions, and Partnerships*, and several orders that call on OPM to address significant attrition across critical occupations. The increased FTE are reflected in Employee Services, EEO, Office of the Director, OPM Human Resources, and the establishment of the new Diversity, Equity, Inclusion, and Accessibility Office. This new office will be staffed with 12 FTEs, the 9 FTE who formerly who supported the Diversity and Inclusion function in ES and 3 additional FTE.

## FY 2021 FTE by Organization and Fund — All Resources

Organizations	Salaries & Expenses	IT Modernization S&E	Trust Fund Annual	Trust Fund Mandatory Authority	Common Services	Advances & Reimbursements	Revolving Fund	OPM Total
Congressional, Legislative and Intergovernmental Affairs	14.0	0.0	0.0	0.0	0.0	0.0	0.0	14.0
Diversity, Equity, Inclusion and Accessibility	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Employee Services	167.2	0.0	0.0	0.0	0.0	0.0	0.0	167.2
Equal Employment Opportunity	0.0	0.0	0.0	0.0	6.0	0.0	0.0	6.0
Facilities, Security & Emergency Management	0.0	0.0	0.0	0.0	60.5	14.6	0.0	75.0
Federal Prevailing Rate Advisory Committee	1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Healthcare & Insurance	0.0	0.0	132.0	24.4	0.0	0.0	0.0	156.5
HR Solutions	0.0	0.0	0.0	0.0	0.0	0.0	469.0	469.0
Human Capital Data Management and Modernization	26.1	0.0	0.0	0.0	0.0	0.0	13.9	40.0
Merit System Accountability & Compliance	89.0	0.0	0.0	0.0	5.0	1.0	0.0	95.0
Office of Communications	11.1	0.0	0.0	0.0	0.0	0.0	0.0	11.1
Office of Privacy and Information Management	3.0	0.0	0.0	0.0	11.0	0.0	0.0	14.0
Office of Procurement Operations	6.3	0.0	0.0	0.0	17.6	2.1	0.0	26.0
Office of Small and Disadvantaged Business Utilization	0.0	0.0	0.0	0.0	1.7	0.0	0.0	1.7
Office of the Chief Financial Officer	0.0	6.4	40.9	0.0	56.2	0.8	3.1	107.4
Office of the Chief Information Officer	19.0	0.0	33.8	1.2	52.2	48.8	119.0	274.0
Office of the Director	17.6	0.0	0.0	0.0	0.0	0.0	0.0	17.6
Office of the General Counsel	0.0	0.0	0.0	0.0	32.0	0.0	0.0	32.0
OPM Human Resources	0.0	0.0	0.0	0.0	37.1	0.0	0.0	37.1
Retirement Services	0.0	0.0	512.9	452.1	0.0	0.0	0.0	965.0
Security, Suitability and Credentialing Line of Business (SSCLOB)	2.0	0.0	0.0	0.0	0.0	9.0	0.0	11.0
Suitability Executive Agent Programs	0.0	0.0	0.0	0.0	0.0	0.0	53.0	53.0
White House Fellows	5.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0
<b>OPM Total</b>	<b>361.3</b>	<b>6.4</b>	<b>719.6</b>	<b>477.8</b>	<b>279.3</b>	<b>76.2</b>	<b>658.0</b>	<b>2,578.6</b>



## FY 2022 FTE by Organization and Fund — All Resources

Organizations	Salaries & Expenses	IT Modernization S&E	Trust Fund Annual	Trust Fund Mandatory Authority	Common Services	Advances & Reimbursements	Revolving Fund	OPM Total
Congressional, Legislative and Intergovernmental Affairs	13.0	0.0	0.0	0.0	0.0	0.0	0.0	13.0
Diversity, Equity, Inclusion and Accessibility	12.0	0.0	0.0	0.0	0.0	0.0	0.0	12.0
Employee Services	171.8	0.0	0.0	0.0	0.0	0.0	0.0	171.8
Equal Employment Opportunity	0.0	0.0	0.0	0.0	8.0	0.0	0.0	8.0
Facilities, Security & Emergency Management	0.0	0.0	0.0	0.0	59.0	12.0	0.0	71.0
Federal Prevailing Rate Advisory Committee	1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Healthcare & Insurance	0.0	0.0	133.7	20.2	0.0	0.2	0.0	154.1
HR Solutions	0.0	0.0	0.0	0.0	0.0	0.0	535.5	535.5
Human Capital Data Management and Modernization	29.5	0.0	0.0	0.0	0.0	0.0	8.0	37.5
Merit System Accountability & Compliance	85.8	0.0	0.0	0.0	6.0	3.2	0.0	95.0
Office of Communications	10.5	0.0	0.0	0.0	0.0	0.0	0.0	10.5
Office of Privacy and Information Management	3.0	0.0	0.0	0.0	12.0	0.0	0.0	15.0
Office of Procurement Operations	5.0	0.0	0.0	0.0	28.0	0.0	0.0	33.0
Office of Small and Disadvantaged Business Utilization	0.0	0.0	0.0	0.0	3.0	0.0	0.0	3.0
Office of the Chief Financial Officer	0.0	5.4	40.2	0.0	64.5	0.0	2.0	112.0
Office of the Chief Information Officer	84.0	0.0	24.6	1.4	34.0	0.0	103.0	247.0
Office of the Director	26.0	0.0	0.0	0.0	0.0	4.0	0.0	30.0
Office of the General Counsel	0.0	0.0	0.0	0.0	33.0	0.0	0.0	33.0
OPM Human Resources	0.0	0.0	0.0	0.0	44.5	0.0	0.0	44.5
Retirement Services	0.0	0.0	515.4	449.6	0.0	0.0	0.0	965.0
Security, Suitability and Credentialing Line of Business (SSCLOB)	0.0	0.0	0.0	0.0	0.0	11.0	0.0	11.0
Suitability Executive Agent Programs	0.0	0.0	0.0	0.0	0.0	0.0	56.0	56.0
White House Fellows	5.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0
<b>OPM Total</b>	<b>446.50</b>	<b>5.4</b>	<b>713.8</b>	<b>471.2</b>	<b>292.0</b>	<b>30.4</b>	<b>704.5</b>	<b>2,663.8</b>



## FY 2022 Budget Request by Object Class

The discretionary appropriation budget by object class table shows how OPM intends to utilize our resources.

### Discretionary Appropriation Budget by Object Class

Object Class	FY 2021 Enacted	FY 2022 CBJ	Increase/Decrease
Personnel Compensation	\$135,307,529	\$155,632,184	\$20,324,655
Personnel Benefits	\$48,547,393	\$57,255,479	\$8,708,086
Benefits for former personnel	\$841,533	\$294,615	(\$546,918)
Travel and transportation of person	\$299,483	\$1,185,842	\$886,359
Transportation of things	\$59,674	\$65,350	\$5,676
Communications, utilities and rent	\$43,212,768	\$57,109,191	\$13,896,423
Printing and Reproduction	\$680,546	\$727,212	\$46,666
Other Services	\$98,464,835	\$96,889,915	(\$1,574,920)
Supplies and Materials	\$900,182	\$864,837	(\$35,345)
Equipment	\$1,441,057	\$1,975,375	\$534,319
<b>Total Object Class</b>	<b>\$329,755,000</b>	<b>\$372,000,000</b>	<b>\$42,245,000</b>
<b>FTE</b>	<b>1,366.6</b>	<b>1,457.7</b>	<b>91.1</b>

### Salaries and Expenses Budget by Object Class

Object Class	FY 2021 Enacted	FY 2022 CBJ	Increase/Decrease
Personnel Compensation	\$56,675,211	\$73,115,605	\$16,440,394
Personnel Benefits	\$19,118,805	\$25,625,698	\$6,506,893
Benefits for former personnel	\$695,477	\$131,069	(\$564,408)
Travel and transportation of person	\$143,548	\$613,608	\$470,060
Transportation of things	\$1,253	\$2,445	\$1,192
Communications, utilities and rent	\$24,057,623	\$36,495,577	\$12,437,954
Printing and Reproduction	\$194,148	\$186,073	(\$8,075)
Other Services	\$58,241,933	\$59,596,483	\$1,354,550
Supplies and Materials	\$482,181	\$447,135	(\$35,046)
Equipment	\$519,821	\$786,307	\$266,487
<b>Total Object Class</b>	<b>\$160,130,000</b>	<b>\$197,000,000</b>	<b>\$36,870,000</b>
<b>FTE</b>	<b>647.0</b>	<b>743.9</b>	<b>96.9</b>

## Trust Fund Limitation – Budget by Object Class

Object Class	FY 2021 Enacted	FY 2022 CBJ	Increase/Decrease
Personnel Compensation	\$78,632,318	\$82,516,579	\$3,884,261
Personnel Benefits	\$29,428,588	\$31,629,781	\$2,201,193
Benefits for former personnel	\$146,056	\$163,546	\$17,490
Travel and transportation of person	\$155,935	\$572,234	\$416,299
Transportation of things	\$58,421	\$62,905	\$4,484
Communications, utilities and rent	\$19,155,144	\$20,613,614	\$1,458,470
Printing and Reproduction	\$486,398	\$541,139	\$54,741
Other Services	\$40,222,903	\$37,293,432	(\$2,929,471)
Supplies and Materials	\$418,001	\$417,702	(\$299)
Equipment	\$921,236	\$1,189,068	\$267,832
<b>Total Object Class</b>	<b>\$169,625,000</b>	<b>\$175,000,000</b>	<b>\$5,375,000</b>
<b>FTE</b>	<b>719.6</b>	<b>713.8</b>	<b>(5.7)</b>

OPM's FY 2022 discretionary budget increased by approximately \$42.2 million from FY 2021's Enacted budget. At \$197,000,000, the Salaries and Expenses (S&E) fund is approximately \$37 million greater than the FY 2021 Enacted level of \$160,130,000. The Trust Fund Limitation increased \$5.4 million from the FY 2021 Enacted level.

The FY 2022 S&E increase is mostly attributable to the following factors:

- A \$23 million increase in salary and benefits to fund the President's pay raise proposal (\$4 million) and to fill essential vacancies in OCIO (\$11 million) and other OPM programs. The resources will finance CIO positions such as digital services specialists, and other vital positions that will promote a better IT customer service-oriented mind-set for the agency. In addition to OCIO, the variance is due to staffing increases in Employee Services, EEO, Office of the Director, OPM Human Resources, and the establishment of the new Diversity, Equity, Inclusion, and Accessibility Office to support Administration priorities (\$8 million). Also, OPM is changing the financing of the responsibilities for Administrative Law Judges from the revolving fund to the Salaries and Expenses appropriation.
- A \$12.5 million increase in 'Communications, utilities, and rent' is attributable to a \$10.5 million increase for OCIO's upgrades to communications software and security systems support in order to continue to enhance the security of OPM's IT systems. The remaining \$2 million increase is attributed to additional cost of financing the building's infrastructural improvements and sustaining a safe environment at OPM headquarters, through measures such as greater air circulation and additional custodial services to promote workplace health and safety in light of what is likely to be an ongoing COVID-19 pandemic environment.
- A \$1.5 million increase for training within the new Diversity, Equity, Inclusion and Accessibility Office and \$1 million to support agency leadership priorities to propose and pursue reforms to the hiring process and address current and anticipated workforce needs to

better support the Federal Government's strategic human capital management and performance management.

The FY 2022 Trust Fund Limitation fund request totals \$175,000,000 which is approximately \$5.4 million more than the FY 2021 Enacted level of \$169,625,000. The \$5.4 million increase in resources impacts all object classes in order to finance earned benefit program activities across OPM. The most significant changes are in the following areas:

- Personnel Compensation and Benefits increased \$6.1 million, attributable to including the impact of the President's pay raise proposal the need for increased transit benefit subsidies in anticipation of the workforce returning/commuting to OPM at an incrementally higher pace in FY 2022, and an increase in the allocation of Common Services discretionary financing.
- Communications, utilities and rent increased \$1.5 million, attributable to an increase in rent to cover rent for space occupied by staff that provide administrative support activities as well as the cost of maintaining common area space at OPM's headquarters building by utilizing additional custodial services due to the COVID pandemic and replacing the air conditioning system.
- Other services decreased \$3 million, attributable to a decrease in the allocation of Common Services discretionary financing and Centrally Funded financing for contracts, offset by allocating additional funding to the Healthcare and Insurance NFC Tribal Insurance Processing System contract, CIO's Retirement Services' (RS) Call Center IT contract, CIO's RSIT PMO Systems Development and Maintenance contract, CIO's Automated Call Distribution contract, and CIO's continued recurring operations and maintenance costs including recurring licenses, and a variety of IT Software.
- The remaining \$800,000 increase is in travel and equipment due to the expectation that more Federal staff will resume travel operations to areas that were previously closed due to the pandemic.

## OPM Budget FY 2021 & FY 2022 by Organization and Fund - Discretionary Resources

Organizations	FY 2021 Enacted				FY 2022 CBJ			
	Salaries and Expenses	Trust Fund Annual	Common Services	OPM Total	Salaries and Expenses	Trust Fund Annual	Common Services	OPM Total
Congressional, Legislative and Intergovernmental Affairs	\$2,278,000	\$0	\$0	\$2,278,000	\$2,327,562	\$0	\$0	\$2,327,562
Diversity, Equity, Inclusion and Accessibility	\$0	\$0	\$0	\$0	\$3,973,408	\$0	\$0	\$3,973,408
Employee Services	\$33,714,948	\$0	\$0	\$33,714,948	\$36,193,444	\$0	\$0	\$36,193,444
Equal Employment Opportunity	\$0	\$0	\$1,055,000	\$1,055,000	\$0	\$0	\$1,318,414	\$1,318,414
Facilities, Security & Emergency Management	\$0	\$0	\$10,743,000	\$10,743,000	\$0	\$0	\$11,689,515	\$11,689,515
Federal Prevailing Rate Advisory Committee	\$176,000	\$0	\$0	\$176,000	\$182,500	\$0	\$0	\$182,500
Healthcare & Insurance	\$0	\$27,823,000	\$0	\$27,823,000	\$0	\$29,665,187	\$0	\$29,665,187
Human Capital Data Management and Modernization	\$11,559,589	\$0	\$0	\$11,559,589	\$12,131,093	\$0	\$0	\$12,131,093
Merit System Accountability & Compliance	\$13,193,000	\$0	\$871,000	\$14,064,000	\$14,084,977	\$0	\$1,107,798	\$15,192,775
Office of Communications	\$2,225,000	\$0	\$0	\$2,225,000	\$2,151,544	\$0	\$0	\$2,151,544
Office of Privacy and Information Management	\$591,000	\$0	\$4,844,000	\$5,435,000	\$607,324	\$0	\$4,900,741	\$5,508,065
Office of Procurement Operations	\$1,068,000	\$0	\$3,143,000	\$4,211,000	\$1,073,201	\$0	\$5,268,839	\$6,342,040
Office of Small and Disadvantaged Business Utilization	\$0	\$0	\$423,000	\$423,000	\$0	\$0	\$641,384	\$641,384
Office of the Chief Financial Officer	\$9,780,000	\$8,336,000	\$21,160,066	\$39,276,066	\$10,372,000	\$8,497,158	\$26,518,762	\$45,387,920
Office of the Chief Information Officer	\$39,204,463	\$8,418,000	\$50,338,357	\$97,960,820	\$60,656,565	\$11,107,439	\$36,837,075	\$108,601,079
Office of the Director	\$3,766,000	\$0	\$0	\$3,766,000	\$6,939,095	\$0	\$0	\$6,939,095
Office of the General Counsel	\$0	\$0	\$6,220,000	\$6,220,000	\$0	\$0	\$6,765,300	\$6,765,300
OPM Human Resources	\$0	\$0	\$8,092,000	\$8,092,000	\$0	\$0	\$9,954,946	\$9,954,946
Planning and Policy Analysis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent/Centrally Funded Items	\$14,956,333	\$13,166,790	\$0	\$28,123,123	\$17,115,404	\$13,515,533	\$786,000	\$31,416,937
Retirement Services	\$0	\$61,132,000	\$0	\$61,132,000	\$0	\$62,824,088	\$0	\$62,824,088

Organizations	FY 2021 Enacted				FY 2022 CBJ			
	Salaries and Expenses	Trust Fund Annual	Common Services	OPM Total	Salaries and Expenses	Trust Fund Annual	Common Services	OPM Total
Security, Suitability and Credentialing Line of Business (SSCLOB)	\$564,667	\$0	\$0	\$564,667	\$575,333	\$0	\$0	\$575,333
White House Fellows	\$786,000	\$0	\$0	\$786,000	\$801,910	\$0	\$0	\$801,910
<b>OPM Sub Total</b>	<b>\$133,863,000</b>	<b>\$118,875,790</b>	<b>\$106,889,423</b>	<b>\$359,628,213</b>	<b>\$169,185,360</b>	<b>\$125,609,405</b>	<b>\$105,788,774</b>	<b>\$400,583,539</b>
Appropriated Contribution to Common Services	\$26,267,000	\$50,749,210			\$27,814,640	\$49,390,595		
Non-Appropriated Contribution to Common Services								
<b>Total</b>	<b>\$160,130,000</b>	<b>\$169,625,000</b>	<b>\$106,889,423</b>	<b>\$329,755,000</b>	<b>\$197,000,000</b>	<b>\$175,000,000</b>	<b>\$105,788,774</b>	<b>\$372,000,000</b>

The budgets for several programs in the table above have changed in FY 2022 due to planned organizational consolidations.

The FY 2022 budget re-establishes a Diversity, Inclusion, Equity, and Accessibility office reporting directly to the Director. On January 20, 2021 the White House issued an Executive Order (EO) on Advancing Racial Equity and Support for Underserved Communities through the Federal Government. The EO requires the heads of Federal agencies to look internally at their policies to conduct an equity assessment. In anticipation of further requirements coming from the Administration, OPM is realigning the Government-wide Diversity and Inclusion Program from Employee Services to the new office. An Office of Diversity and Inclusion was previously established as a separate office within OPM. In restoring it to its previous state, OPM believes that the changes will provide greater flexibility to meet mission challenges and strategic goals/priorities, provide strategic direction across Government, and provide this office and function with gravitas and higher visibility. The Office will focus its actions on externally facing customers and matters.

### **FY 2022 Budget Request by Strategic Goals**

OPM's FY 2018-2022 strategic plan includes four key goals that are focused on improving OPM. As required by the Government Performance and Results Modernization Act of 2010 (P.L. 111-352), OPM's budget request maps to its strategic plan.

The Performance Budget by Strategic Goal section of this document describes each strategic goal and the resources budgeted for each objective in FY 2022. The following table displays OPM's planned resource allocation against each strategic goal, excluding Revolving Fund program activities. The Performance Budget by Strategic Goal section of this document describes each strategic goal and the resources budgeted for each objective in FY 2022. The following table displays OPM's planned resource allocation against each strategic goal, excluding Revolving Fund program activities.

## OPM Budget FY 2022 by Strategic Goal—Discretionary Resources

Strategic Goal	FY 2022 CBJ	
	Dollars	FTE
Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce	\$41,415,505	192.8
Lead the establishment and modernization of human capital information technology and data management systems and solutions	\$5,045,007	24.1
Improve integration and communication of OPM services to Federal agencies to meet emerging needs	\$15,443,445	90.7
<b>Optimize Agency Performance</b>	\$116,556,121	640.5
<b>Additional Mission and Mission Support Activities</b>	\$222,123,461	509.8
<b>Subtotal</b>	<b>\$400,583,539</b>	<b>1,457.7</b>
Non-Appropriated Contribution to Common Services	<b>(\$28,583,539)</b>	
<b>OPM Total</b>	<b>\$372,000,000</b>	<b>1,457.7</b>

## FY 2021 – FY 2022 Major Differences

Details		FY 2021 Enacted	FY 2022 CBJ	Difference FY 21 vs. FY 22
<b>Base Budget</b>		<b>\$294,931</b>	<b>\$329,755</b>	<b>\$34,824</b>
Adjustments to Base	Awards		\$314	
	Other Benefits (Fare Subsidy)		\$673	
	Non-Pay (Rent & CFI)		\$3,517	
	Common Service Financing (discretionary)	\$29,576	\$0	
	Pay Annualization (2022 2.7% average pay rate)		\$3,941	
	FERs 1.1% Increase		\$2,184	
<b>Subtotal</b>		<b>\$29,576</b>	<b>\$10,629</b>	<b>(\$18,947)</b>
Program Changes (Increase/Decreases)	91 FTE Increase		\$21,374	
	IT Modernization Increase/(Decrease)	\$189	\$0	
	Earmark for OC (2FTE)	\$350		
	Increase for software licenses, training, and travel.	\$4,650	\$10,242	
	Remainder	\$459	-	
<b>Program Increases/Decreases</b>		<b>\$5,648</b>	<b>\$31,616</b>	<b>\$25,968</b>
<b>Total Appropriated</b>		<b>\$329,755</b>	<b>\$372,000</b>	<b>\$42,245</b>
Total FTE		1,367	1,458	91





# Appropriations Language

## Salaries and Expenses

### Salaries and 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; 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, [\$160,130,000] \$197,000,000: *Provided*, That of the total amount made available under this heading, [at least \$9,000,000] \$8,842,000 shall remain available until expended, for information technology infrastructure modernization and Trust Fund Federal Financial System migration or modernization, and shall be in addition to funds otherwise made available for such purposes: [*Provided further*, That of the total amount made available under this heading, not less than \$350,000 shall be used to hire additional congressional liaisons:] *Provided further*, That of the total amount made available under this heading, [\$1,068,000] \$1,073,201 may be made available 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[ \$169,625,000] \$175,000,000 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 further*, 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 2021, 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: *Provided further*, That amounts available from this heading may be transferred to an Information Technology Working Capital Fund for purposes authorized by the Modernizing Government Technology Act (40 U. S. C. 11301 note).

## **Office of Inspector General**

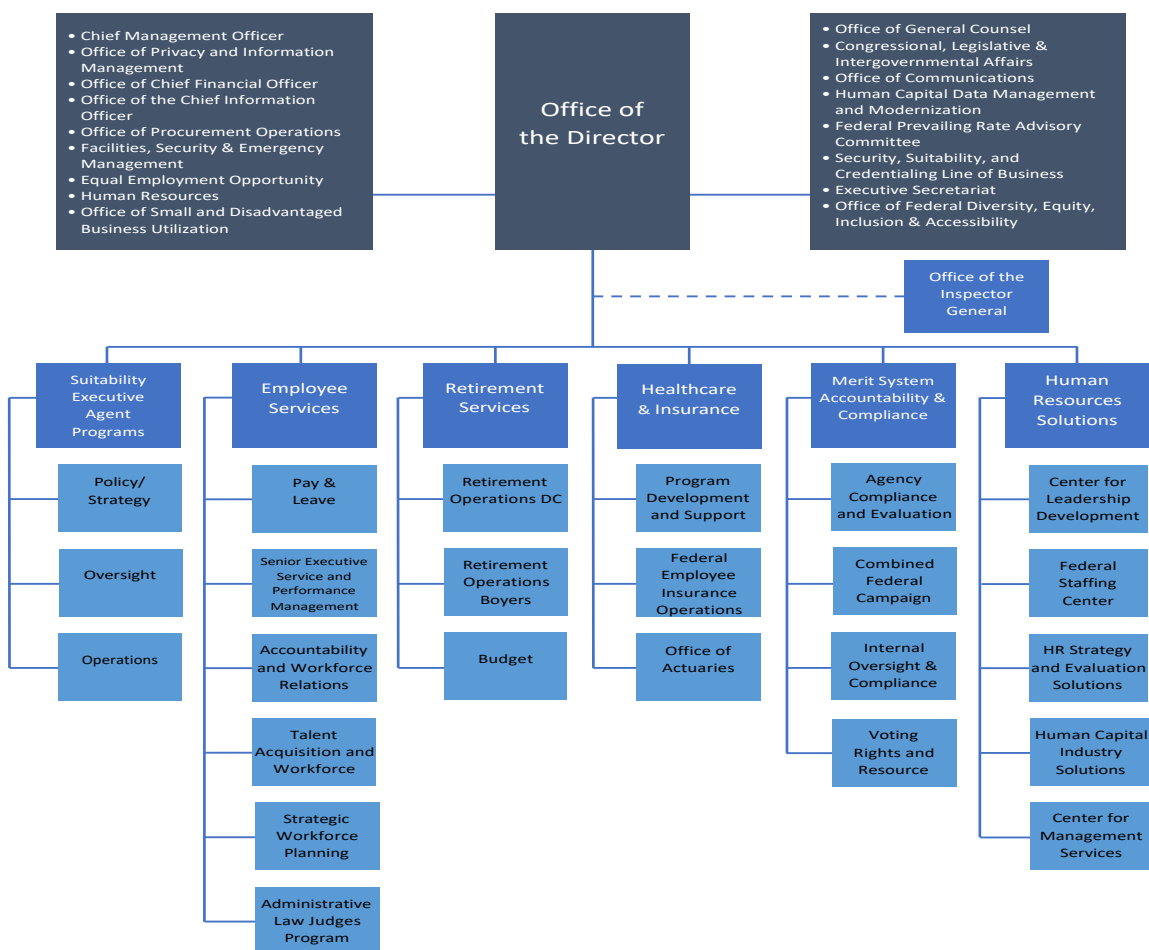
### **Salaries and Expenses (Including Transfer of Trust Funds)**

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, [\$5,000,000] \$5,345,000, and in addition, not to exceed [\$27,265,000] \$29,565,300 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.

# Organizational Framework

OPM’s divisions and offices and their employees implement the programs and deliver the services that enable the agency to meet its strategic goals and fulfill its statutory mandates. The agency’s organizational framework consists of program divisions and offices that both directly and indirectly support the agency’s mission.

This plan reflects organizational changes to better align and consolidate agency functions. These changes are intended to help OPM meet its strategic goals and priorities and provide optimal service to customers, while executing effective stewardship of taxpayer dollars, by effectively executing, enforcing, and administering civil service law. In FY 2020, The HR Line of Business, the Data Analysis Group from the former Office of Strategy and Innovation, and the Federal Data Solutions Group from the Office of the Chief Information Officer became part of a new organization: Human Capital Data Management and Modernization. The Survey Analysis Group from the former Office of Strategy and Innovation is now part of Employee Services and the Administrative Law Judges Program from Human Resources Solutions will be moved to Employee Services.



## OPM Budget FY 2021 & FY 2022 by Organization- All Resources

Organization	FY 2021 Enacted		FY 2022 CBJ		Variance	
	Dollars	FTE	Dollars	FTE	Dollars	FTE
Congressional, Legislative and Intergovernmental Affairs	\$2,278,000	14.0	\$2,327,562	13.0	\$49,562	(1.0)
Diversity, Equity, Inclusion and Accessibility	\$0	0.0	\$3,973,408	12.0	\$3,973,408	12.0
Employee Services	\$33,714,948	167.2	\$36,193,444	171.8	\$2,478,496	4.6
Equal Employment Opportunity	\$1,055,000	6.0	\$1,318,414	8.0	\$263,414	2.0
Facilities, Security & Emergency Management	\$14,547,115	75.0	\$14,388,135	71.0	(\$158,980)	(4.0)
Federal Prevailing Rate Advisory Committee	\$176,000	1.0	\$182,500	1.0	\$6,500	0.0
Healthcare & Insurance	\$37,689,931	156.5	\$38,058,381	154.1	\$368,450	(2.4)
HR Solutions	\$304,809,138	469.0	\$331,579,849	535.5	\$26,770,711	66.5
Human Capital Data Management and Modernization	\$58,618,510	40.0	\$54,376,921	37.5	(\$4,241,589)	(2.5)
Merit System Accountability & Compliance	\$16,293,725	95.0	\$17,563,070	95.0	\$1,269,345	0.0
Office of Communications	\$2,225,000	11.1	\$2,151,544	10.5	(\$73,456)	(0.6)
Office of Privacy and Information Management	\$5,435,000	14.0	\$5,508,065	15.0	\$73,065	1.0
Office of Procurement Operations	\$4,639,377	26.0	\$6,342,040	33.0	\$1,702,663	7.0
Office of Small and Disadvantaged Business Utilization	\$423,000	1.7	\$641,384	3.0	\$218,384	1.3
Office of the Chief Financial Officer	\$126,434,165	107.4	\$132,419,713	112.0	\$5,985,548	4.6
Office of the Chief Information Officer	\$254,631,299	274.0	\$192,297,059	247.0	(\$62,334,240)	(27.0)
Office of the Director	\$3,766,000	17.6	\$7,642,104	30.0	\$3,876,104	12.4
Office of the General Counsel	\$6,220,000	32.0	\$6,765,300	33.0	\$545,300	1.0
Office of the Inspector General	\$32,265,000	159.3	\$34,910,300	163.1	\$2,645,300	3.9
OPM Human Resources	\$8,092,000	37.1	\$9,954,946	44.5	\$1,862,946	7.4
Rent	\$29,126,475	0.0	\$32,480,937	0.0	\$3,354,462	0.0
Retirement Services	\$113,468,491	965.0	\$118,781,371	965.0	\$5,312,880	0.0
Security, Suitability and Credentialing Line of Business (SSCLOB)	\$8,129,984	11.0	\$8,398,000	11.0	\$268,016	0.0
Suitability Executive Agent Programs	\$9,269,948	53.0	\$9,752,551	56.0	\$482,603	3.0
White House Fellows	\$786,000	5.0	\$801,910	5.0	\$15,910	0.0
<b>OPM Total</b>	<b>\$1,074,094,106</b>	<b>2,737.9</b>	<b>\$1,068,808,908</b>	<b>2,826.9</b>	<b>(\$5,285,198)</b>	<b>89.1</b>

\* This table includes revolving fund-financed organizations, common services funding, and Advances & Reimbursements. Therefore, this table varies from the tables in the Executive Summary section.

OPM's gross budget is expected to decrease from FY 2021 to FY 2022 by \$5.2 million, which is largely due to CIO's budget reduced by a net of \$62.3 million from the elimination of DCSA buyback agreements. This reduction will be offset by the increases in anticipated new business in HR Solutions and the budget requests for other OPM offices such as Office of the Chief Financial Officer, Diversity Equity, Inclusion and Accessibility, Employee Services, Rent, and Retirement Services. In addition, HCDMM's EHRI program anticipates a decrease of anticipated revenue as the program reevaluates its data warehouse and eOPF

agreements. It is anticipated that there will be a reduction in license fee rates offered to its Federal customers.

This section describes each organization and the key roles and responsibilities it plays in contributing to the achievement of OPM's mission. OPM's organizations are categorized into four different types of offices: Executive, Program, Mission Support, and Others, which are detailed below:

### **Executive Offices**

*The Office of the Director (OD)* provides guidance, leadership, and direction necessary to achieve OPM's mission to lead and serve the Federal Government by delivering policies and services to achieve a trusted, effective civilian workforce. Included within OD is the Executive Secretariat (ExecSec) function, which is responsible for coordination and review of agency correspondence, policy and program proposals, regulations, and legislation. The ExecSec serves as the agency's regulatory interface with the Office of Management and Budget and the Federal Register. The office is also responsible for the administrative and resource management support for the OD and other executive offices. Additionally, the ExecSec coordinates OPM's international affairs activities and contacts.

*Office of Privacy and Information Management (OPIM)* was established in February 2019 in order to elevate and co-locate certain important and complementary subject matter areas and, in so doing, call attention to their significance in the day-to-day business operations of OPM and facilitate proper resource allocation for the work performed. This included realigning the former Information Management and Freedom of Information Act (FOIA) groups from the Office of the Chief Information Officer into OPIM and realigning the Chief Privacy Officer/Senior Agency Official for Privacy from within the Office of the Director to lead the new organization. OPIM's key areas of responsibility are: Privacy; FOIA; Records Management; Forms Management/Paperwork Reduction Act; and Controlled Unclassified Information.

*Office of the General Counsel (OGC)* provides legal advice and representation to the Director and OPM managers and leaders so they can work to provide the Federal Government an effective and trusted civilian workforce. OGC does this by rendering opinions, reviewing proposed policies and other work products, and commenting on their legal efficacy, serving as agency representatives in administrative litigation, and supporting the Department of Justice in its representation of the Government on matters concerning the civilian workforce. OGC also carries out several programmatic, substantive functions that fulfill other statutory or regulatory mandates and, thus, benefit other OPM offices or the Executive Branch as a whole. For example, OGC is responsible for the Government-wide Hatch Act regulations, administers the internal agency Hatch Act and ethics programs, and serves in a policy and legal role in the Government-wide function of determining which Merit Systems Protection Board and arbitral decisions are erroneous and have a substantial impact on civil service law, and, thus, merit judicial review. Further, consistent with the Government in Ethics Act, OGC, along with DOJ, consults with the United States Office of Government Ethics (OGE) on any regulations related to the Standards of Conduct OGE plans to issue. OPM also administers OPM's internal program for handling claims lodged under the Federal Tort Claims Act and other statutes and determines when OPM personnel or documents should be made available in discovery to parties in litigation to which OPM is not a party.

***Congressional, Legislative and Intergovernmental Affairs (CLIA)*** is the OPM office that fosters and maintains relationships with Members of the Congress and their staff. CLIA accomplishes its mission by keeping informed of issues related to programs and policies administered by OPM. CLIA staff attend meetings, briefings, markups, and hearings in order to interact, educate, and advise agency leadership and the Congress, as well as state and local governments. CLIA is also responsible for supporting congressional efforts through providing technical assistance and substantive responses to congressional inquiries.

***Office of Communications (OC)*** coordinates a comprehensive effort to inform the public of the Administration's and OPM's goals, plans, and activities through various media outlets. The OC provides the American public, Federal agencies, and pertinent stakeholders with accurate information to aid in their planning and decision-making process. The OC coordinates the publication and production of all video products, printed materials, and websites generated by OPM offices. The office develops briefing materials for the Director and other OPM officials for various activities and events. The OC also plans events that amplify the Administration's and OPM's key initiatives within the agency as well as Government-wide. The office is also responsible for Section 508 Accessibility.

***Security, Suitability, and Credentialing Line of Business (SSCLoB)*** is an interagency organization that is administratively housed within OPM's Office of the Director. The SSCLoB supports the Security, Suitability and Credentialing Performance Accountability Council and the Suitability & Credentialing and Security Executive Agents (the Director of OPM and the Director of National Intelligence). The Council is chaired by OMB's Deputy Director for Management and is accountable to the President for promoting the alignment of personnel vetting processes and driving enterprise-wide reforms. The SSCLoB assists the Council and the Executive Agents – through the Council's Program Management Office – in its personnel vetting mission by identifying/implementing investments, simplifying the delivery of services, and establishing shared services, as well as promoting reciprocity, efficiency, and effectiveness across the enterprise.

***Human Capital Data Management and Modernization (HCDMM)*** works to lead Government-wide human capital strategic management through innovation of interoperable data, services, and operations. HCDMM encompasses: the Federal Human Resources Line of Business with governance via the Multi-Agency Executive Strategy Committee encompassing the 24 CFO Act agencies; programmatic responsibility for Enterprise Human Resources Integration program that is the primary Government-wide human resources data collection platform, and; the electronic Official Personnel Folder solution that is a Government-wide mission critical application, which aggregates HR information and displays HR and retirement documents accumulated during a Federal employee's career. HCDMM works to implement a modern model and standards for Government-wide HR business practices, service delivery, and acquisition requirements through the Human Capital Business Reference Model, the Human Capital Federal Integrated Framework and the Human Capital Information Model. HCDMM oversees governance related to human capital data management, including via Federal guides for working with and managing human capital data, requirements for data file submissions to OPM, and protocols for human capital data releases. HCDMM also manages the dissemination of Federal human resources data to the Congress, the Government Accountability Office (GAO), the White House and other external entities.

*The Office of Federal Diversity, Equity, Inclusion & Accessibility* provides Government-wide guidance on DEIA efforts including technical assistance to agencies, policy guidance, management of intergovernmental working groups on DEIA and the government wide DEIA strategic plan. The Office of Federal Diversity, Equity, Inclusion & Accessibility will primarily focus its actions on externally facing customers and matters but will have an advisory function to senior leaders for internal OPM DEIA efforts.

## **Program Offices**

*Employee Services (ES)* administers statutory and regulatory provisions related to recruitment, hiring, classification, strategic workforce planning, pay, leave, performance management and recognition, leadership and employee development, reskilling, work/life/wellness programs, diversity and inclusion, labor and employee relations, and the Administrative Law Judges Program. ES does so by equipping Federal agencies with tools, flexibilities, and authorities, as well as forward-leaning strategic workforce planning, to enable agencies to hire, develop, and retain an effective Federal workforce.

*Retirement Services (RS)* is responsible for administering, 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 and the Federal Employees Retirement System (FERS), serving nearly 2.7 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 annuitant accounts, sending out 1099-Rs, surveying certain annuitants to confirm their continued eligibility to receive benefits, and conducting other post adjudication activities.

*Healthcare and Insurance (HI)* consolidates OPM's healthcare and insurance responsibilities into a single organization. This includes contracting and program development and management functions for the Federal Employees Health Benefits (FEHB) Program, Federal Employees' Group Life Insurance (FEGLI) Program, the Federal Long-Term Care Insurance Program (FLTCIP), the Federal Employees Dental and Vision Insurance Program (FEDVIP), and the Federal Flexible Spending Account Program (FSAFEDS).

*Merit System Accountability & Compliance (MSAC)* provides rigorous oversight to determine if Federal agency human resources programs are effective and efficient and comply with merit system principles and related civil service regulations. MSAC evaluates agencies' programs through a combination of OPM-led evaluations and as participants in agency-led reviews. The evaluations may focus on all or some of the four systems of OPM's Human Capital Framework: (1) strategic planning and alignment of human resources to mission, (2) performance culture, (3) talent management, and (4) evaluation systems. MSAC reports may identify required corrective actions, which agencies must show evidence of implementing, as well as recommendations for agencies to improve their systems and procedures. MSAC also conducts special cross-cutting studies to assess the use of HR authorities and flexibilities across the Government. Moreover, MSAC reviews and renders decisions on agencies' requests to appoint current or former political appointees to positions in the competitive service, the non-political excepted service, or the senior executive service to verify that such appointments conform to applicable selection requirements



and are free of political influence. MSAC is required to report to Congress on its review and determinations concerning these appointments. MSAC also adjudicates classification appeals, job grading appeals, Fair Labor Standards Act claims, compensation and leave claims, and declination of reasonable offer appeals (where the grade or pay is equal to or greater than the retained grade (5 CFR 536.402), all of which provides Federal employees with administrative procedural rights to challenge compensation and related agency decisions without having to resort to seeking redress in Federal courts. MSAC has Government-wide oversight of the Combined Federal Campaign (CFC) and the Voting Rights 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 and annuitants the opportunity to improve the quality of life for all. The Voting Rights Program deploys Federal observers to monitor polling sites (as determined by the Attorney General) and provides written reports to the Department of Justice. Internal Oversight and Compliance serves as the liaison between OPM program offices and oversight groups such as the OIG and GAO, and helps to coordinate audit activities to resolve recommendations.

***Human Resources Solutions (HRS)*** provides customized human capital and training products and services to Federal agencies to maximize their organizational and individual performance and to drive their mission results. Utilizing internal human capital experts and/or private sector partners, HRS helps agencies design effective organizations, recruit and hire top talent, develop and cultivate leaders, build Federal human resource professional capability, manage the performance management process, and achieve long-lasting human capital results. HRS operates under the provisions of the Revolving Fund, 5 U.S.C. §1304 (e)(1), that authorizes OPM to perform personnel management services for Federal agencies on a cost reimbursable basis. HRS is a fee-based organization comprised of four practice areas offering a complete range of tailored and standardized human resources products and services, on a cost-reimbursable basis. designed to meet the unique and dynamic needs of the Federal Government. These services operationalize Government-wide HR policies and other key human capital initiatives to support agencies' mission critical human capital needs. Much of this work is directed by statute, and other aspects are performed at the option of an agency that engages HRS in this work. HRS provides customer agencies with innovative, high quality government-to-government and private-sector solutions to help them develop leaders and, attract and build a high-quality public sector workforce, and achieve long-lasting mission success. This includes recruiting and examining candidates for positions for employment by Federal agencies nationwide; managing the Leadership for a Democratic Society program and other leadership, management, and professional development programs; automating the full range of Federal rules and procedures for staffing, learning, and performance management; operating the USAJOBS® online recruitment employment site; developing specialized assessments and performance management strategies; providing comprehensive HR strategy; providing learning record systems or and learning ecosystems and offering Federal customers human capital management, organizational performance improvement, and training and development expertise delivered through best-in-class contracts.

***Suitability Executive Agent (SuitEA)*** was established as a distinct program office within OPM in December 2016 to strengthen the effectiveness of vetting for and determinations of suitability or fitness for Federal employment or to perform work under a Government contract and eligibility for credentials



(that is, logical and physical access to agency systems and facilities) across the Government. SuitEA prescribes suitability, fitness, and credentialing standards and conducts oversight of functions delegated to the heads of agencies while retaining jurisdiction for certain suitability determinations and taking Government-wide suitability actions when appropriate. SuitEA also issues guidelines and instructions to the heads of agencies to promote appropriate uniformity, centralization, efficiency, effectiveness, reciprocity, timeliness, and security in suitability/fitness/credentialing processes. In the wake of the delegation to DOD of investigations relating to suitability, fitness, or credentialing, SuitEA will also be responsible for setting standards for those investigations and exercising oversight over DOD's performance of those investigations.

### **Mission Support Services**

***OPM Human Resources (HR)*** is responsible for OPM's internal human resources management programs. OPM HR supports the human capital needs of program offices throughout the employment lifecycle, from recruiting and hiring candidates for employment opportunities at OPM, to coordinating career development opportunities, to processing retirement applications. The OPM Chief Human Capital Officer (CHCO) leads HR, and is responsible for shaping corporate human resources strategy, policy, and solutions to workforce management challenges within the agency.

***Office of the Chief Financial Officer (OCFO)*** leads and performs OPM's financial management services, accounting, financial systems, budget, performance, enterprise risk management, and internal controls programs which enable the agency to achieve strategic objectives and mission. Additionally, the OCFO facilitates the completion of timely and accurate financial reports that support decision making, comply with Federal requirements, and demonstrate effective management of taxpayer dollars.

***Office of the Chief Information Officer (OCIO)*** defines the enterprise information technology vision, strategy, information technology policies, and cybersecurity for OPM. The OCIO manages the IT network and communications infrastructure and applications that support OPM's business applications and operations. Additionally, the OCIO determines and operates the agency's cybersecurity program and protections. The OCIO also determines the most effective use of technology in support of the agency's strategic plan, including the long-term enterprise strategic architectures, platforms, and applications. The OCIO supports and manages pre- and post-implementation reviews of major information technology programs and projects, as well as project tracking at critical review points. The OCIO provides review and oversight of major information technology acquisitions for consistency with the agency's architecture and the information technology budget and is responsible for the development of the agency's information technology security policies in a manner consistent with Federal law and mandates. The OCIO leads the agency's information technology architecture engineering to further architecture integration, design consistency, and compliance with Federal standards. The OCIO also partners with other agencies on Government-wide projects such as IT Modernization, optimizing enterprise services through the OMB Cloud Smart Directive, and developing long-term plans for human resource information technology strategies.

***Facilities, Security & Emergency Management (FSEM)*** manages the agency's personal and real property, building operations, space design and layout, mail management, physical security and safety,

and occupational health programs. FSEM provides personnel security, suitability, and national security adjudicative determinations for OPM personnel. FSEM oversees OPM's Personal Identification Verification program and provides shared services in support of other Government agencies' adjudicative programs. FSEM directs the operations and oversees OPM's classified information, industrial security, insider threat, and preparedness and emergency response programs. In addition, it oversees publishing and printing management for internal and external design and reproduction.

***Office of Procurement Operations (OPO)*** awards and administers contracts and interagency agreements. OPO provides acquisition services to OPM's programs and provides assisted acquisition services in support of other Federal agencies that require support under OPM contracts. OPO is responsible for the agency suspension and debarment program, as well as supports the small business utilization efforts for OPM in accordance with law and OPM contracting policies. The Acquisition Policy and Innovation function within OPO provides acquisition policy development and guidance agency-wide, as well as provides compliance and oversight over OPM's procurement program. OPO provides acquisition support and oversight for all Contracting Officers and Contracting Officer Representatives, and manages and provides oversight of the purchase card program. OPO serves as OPM's liaison to the Office of Federal Procurement Policy, Chief Acquisition Officers Council, and other key external agency partnerships.

***Office of Small and Disadvantaged Business Utilization (OSDBU)*** manages the development and implementation of appropriate outreach programs aimed at heightening the awareness of the small business community to the contracting opportunities available within OPM. The office's responsibilities, programs, and activities are managed under three lines of business: advocacy, outreach, and unification of the business process.

***Equal Employment Opportunity (EEO)*** provides a fair, legally-correct, and expeditious EEO complaints process (for example, EEO counseling, Alternative Dispute Resolution, and EEO Complaints Intake, Investigation, Adjudication, and Record-Keeping). EEO also designs and implements all required internal OPM diversity and inclusion efforts to promote diversity management.

## **Other Offices**

***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 V, 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 (OIG)*** is the independent office that conducts comprehensive and audits, investigations, and evaluations relating to OPM programs and operations. It is responsible for administrative actions against health care providers that commit sanctionable offenses with respect to the FEHB Program 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 and progress of corrective action.

# Performance Budget by Strategic Goal

This section aligns OPM’s FY 2022 budget request to the agency’s strategic plan. Funding amounts, performance measures and targets, and next steps are detailed for each objective in the strategic plan. It is intended to meet the performance planning requirements of the Office of Management and Budget (OMB) Circular A-11, Part 6, Section 240 – *Annual Performance Planning and Reporting*.

The OPM Strategic Plan includes three strategic goals as well as one operational excellence goal to improve both program operations and cross-cutting management functions. The agency’s goals and objectives will guide efforts to accomplish OPM’s mission to *lead and serve the Federal Government in enterprise human resources management by delivering policies and services to achieve a trusted effective civilian workforce* and achieve its vision for “*Empowering Excellence in Government through Great People.*”

## Goals

Strategic Goal 1: Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce.

Strategic Goal 2: Lead the establishment and modernization of human capital information technology and data management systems and solutions.

Strategic Goal 3: Improve integration and communication of OPM services to Federal agencies to meet emerging needs.

Operational Excellence Goal 4: Optimize agency performance.

## Additional Mission Activities Aligned to Key Functions

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

## Additional Mission Support Activities

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

The following table shows the resources budgeted against each of OPM’s goals. All resources are shown for each goal, including financing from:

- Common Services, which is an internal fund comprised of contributions from all OPM’s funding sources to finance the administrative functions within the agency.

## FY 2022 Budget Request by Goal and Fund—All Resources

Strategic Objectives	Dollars	FTE
<b>Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce</b>	<b>\$44,080,253</b>	<b>207.4</b>
Salaries & Expenses	\$12,643,547	63.7
Trust Fund Annual	\$28,771,958	129.1
Revolving Fund	\$1,964,485	11.0
5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$700,263	3.6
<b>Lead the establishment and modernization of human capital information technology and data management systems and solutions</b>	<b>\$10,747,310</b>	<b>27.1</b>
Salaries & Expenses	\$4,857,792	23.1
Common Services	\$187,215	1.0
Revolving Fund	\$5,702,303	3.0
<b>Improve integration and communication of OPM services to Federal agencies to meet emerging needs</b>	<b>\$15,892,838</b>	<b>92.7</b>
Salaries & Expenses	\$15,443,445	90.7
Revolving Fund	\$449,393	2.0
<b>Optimize Agency Performance</b>	<b>\$174,500,361</b>	<b>1,087.9</b>
Salaries & Expenses	\$800,486	0.0
IT Modernization S&E	\$8,842,000	5.4
Trust Fund Annual	\$73,346,193	536.6
Common Services	\$33,567,442	98.5
Advances & Reimbursements Annual	\$0	0.0
5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$56,655,948	437.4
FERCCA (P.L. 106-265) - Retirement	\$1,288,292	10.0
<b>Additional Mission and Mission Support Activities</b>	<b>\$822,885,138</b>	<b>1,408.0</b>
Salaries & Expenses	\$126,598,090	269.2
Trust Fund Annual	\$23,491,254	48.1
Common Services	\$72,034,117	192.5
Revolving Fund	\$541,502,601	688.5
Advances & Reimbursements Annual	\$5,918,621	23.0
Advances & Reimbursements No Year	\$7,582,493	3.4
5 U.S.C. § 8958(f)(2)(A) & 5 U.S.C. § 8988(f)(2)(A) - Dental & Vision	\$6,690,330	15.1
5 U.S.C. § 9004(f)(B) - Long-Term Care	\$1,020,476	4.9
5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$3,122,856	0.2
FERCCA (P.L. 106-265) - Retirement	\$14,000	0.0
Salaries & Expenses - OIG	\$5,345,000	23.0
Trust Fund Annual - OIG	\$29,565,300	140.2
<b>OPM Total</b>	<b>\$1,068,105,899</b>	<b>2,822.9</b>

Note: This table includes the budget of administrative activities funded by OPM's Common Services. Revolving fund financing for Common Services is also reflected.

The following table is a more granular view of the prior table. It shows the operating resources budgeted to each objective within the goals, and includes financing from:

- Advances and Reimbursements from other agencies for services performed on behalf of those agencies or to finance shared commitments such as the Security, Suitability, and Credentialing Line of Business;
- Resources as Common Services, which is an internal fund comprised of contributions from all of OPM's funding sources to finance the administrative functions of the agency.

## FY 2022 Budget Request by Goal and Objective—All Resources

STRATEGIC_GOAL	STR_NO	STRATEGY	Dollars	FTE
<b>Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce</b>	<b>1.1</b>	Drive improvements to the hiring process so agencies are able to hire the best candidate in a timely manner	\$11,928,237	62.6
	<b>1.2</b>	Achieve reforms to the pay system to drive performance excellence and greater responsiveness to changes in labor markets	\$2,658,410	12.0
	<b>1.3</b>	Reduce the complexity and costs to administer Federal employee retirement earned benefits by achieving and implementing legislative reform	\$1,772,045	9.1
	<b>1.4</b>	Improve healthcare quality and affordability in the FEHB program with 75 percent of enrollees in quality affordable plans	\$27,721,561	123.7
	<b>1.5</b>	Transform the background investigation process to improve investigation timeliness	\$0	0.0
	<b>Strategic Goal Total</b>			<b>\$44,080,253</b>
<b>Lead the establishment and modernization of human capital information technology and data management systems and solutions</b>	<b>2.1</b>	Improve collection and analysis of data to better inform human capital management decisions	\$3,142,507	15.6
	<b>2.2</b>	Advance human capital management through the strategic use of interoperable HR IT that connects all parts of the talent management lifecycle and drives adoption of the Software as a Service model by the end of 2022	\$3,892,239	9.0
	<b>2.3</b>	Streamline data collection and leverage data repositories to enhance enterprise-wide Human Resource (HR) data analytics and reduce low-value reporting requirements	\$3,712,564	2.5
	<b>Strategic Goal Total</b>			<b>\$10,747,310</b>
<b>Improve integration and communication of OPM services to Federal agencies to meet emerging needs</b>	<b>3.1</b>	Strengthen OPM coordination of policy, service delivery, and oversight resulting in agencies' achievement of human capital objectives	\$15,448,947	91.5
	<b>3.2</b>	Achieve recognition as the trusted human capital management advisor	\$1,146,900	5.2
	<b>Strategic Goal Total</b>			<b>\$16,595,847</b>
<b>Optimize Agency Performance</b>	<b>4.1</b>	Improve collaboration, transparency, and communication among OPM leadership to make better, more efficient decisions, increasing OPM's collaborative management score by 4 percentage points	\$185,491	1.0
	<b>4.2</b>	Invest in OPM management and provide the tools managers need to maximize employee performance, improving OPM's score in dealing with poor performers by 4 percentage points	\$1,627,637	7.5

STRATEGIC_GOAL	STR_NO	STRATEGY	Dollars	FTE
<b>Optimize Agency Performance (Cont.)</b>	<b>4.3</b>	Exceed the Government-wide average satisfaction score for each agency mission support service	\$41,919,694	97.4
	<b>4.4</b>	Improve retirement services by reducing the average time to answer calls to 5 minutes or less and achieve an average case processing time of 60 days or less	\$130,767,539	982.0
<b>Strategic Goal Total</b>			<b>\$174,500,361</b>	<b>1,087.9</b>
<b>Additional Mission and Mission Support Activities</b>	<b>5.1</b>	Additional Mission Activities Aligned to Key Functions	\$510,969,462	898.1
	<b>5.2</b>	Additional Mission Support Activities	\$311,915,676	509.9
<b>Strategic Goal Total</b>			<b>\$822,885,138</b>	<b>1,408.0</b>
<b>OPM Total</b>			<b>\$1,068,808,908</b>	<b>2,826.9</b>

\*Objective 1.5 has been discontinued effective FY 2020, as NBIB functions have moved to the Department of Defense.

## FY 2022 Budget Request by Goal and Organization—All Resources

The following table shows FY 2022 operating resources for each strategic goal by organization. This includes: Common Services, which is an internal fund comprised of contributions from all of OPM’s funding sources to finance the administrative functions within the agency.

	Goal 1 Description	Goal 2 Description	Goal 3 Description	Goal 4 Description	Goal 5 Description	
	Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce	Lead the establishment and modernization of human capital information technology and data management systems and solutions	Improve integration and communication of OPM services to Federal agencies to meet emerging needs	Optimize Agency Performance	Additional Mission and Support Activities	Total
Organization Name						
Centrally Funded Items	\$0	\$0	\$0	\$0	\$5,194,937	<b>\$5,194,937</b>
Common Services (OPM)	\$0	\$0	\$0	\$0	\$84,820,668	<b>\$84,820,668</b>
Congressional, Legislative and Intergovernmental Affairs	\$21,385	\$0	\$0	\$0	\$2,306,177	<b>\$2,327,562</b>
Diversity, Equity, Inclusion and Accessibility	\$1,553,863	\$168,719	\$421,525	\$0	\$1,829,301	<b>\$3,973,408</b>
Employee Services	\$10,399,386	\$2,416,150	\$4,822,764	\$0	\$18,555,144	<b>\$36,193,444</b>
Equal Employment Opportunity	\$0	\$0	\$0	\$0	\$1,318,414	<b>\$1,318,414</b>
Facilities, Security & Emergency Management	\$0	\$0	\$0	\$145,382	\$14,242,753	<b>\$14,388,135</b>
Federal Prevailing Rate Advisory Committee	\$0	\$0	\$0	\$0	\$182,500	<b>\$182,500</b>
Healthcare & Insurance	\$27,721,561	\$0	\$0	\$0	\$10,336,820	<b>\$38,058,381</b>
HR Solutions	\$301,703	\$2,552,303	\$449,393	\$0	\$328,276,450	<b>\$331,579,849</b>
Human Capital Data Management and Modernization	\$0	\$5,125,328	\$0	\$0	\$49,251,593	<b>\$54,376,921</b>
Merit System Accountability & Compliance	\$668,913	\$297,595	\$9,527,278	\$0	\$7,069,284	<b>\$17,563,070</b>
Office of Communications	\$0	\$0	\$671,878	\$0	\$1,479,666	<b>\$2,151,544</b>
Office of Privacy and Information Management	\$0	\$0	\$0	\$0	\$5,508,065	<b>\$5,508,065</b>
Office of Procurement Operations	\$0	\$0	\$0	\$20,486	\$6,321,554	<b>\$6,342,040</b>



	Goal 1 Description	Goal 2 Description	Goal 3 Description	Goal 4 Description	Goal 5 Description	Total
	Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce	Lead the establishment and modernization of human capital information technology and data management systems and solutions	Improve integration and communication of OPM services to Federal agencies to meet emerging needs	Optimize Agency Performance	Additional Mission and Support Activities	
Organization Name						
Office of Small and Disadvantaged Business Utilization	\$0	\$0	\$0	\$0	\$641,384	\$641,384
Office of the Chief Financial Officer	\$0	\$187,215	\$0	\$35,423,931	\$96,808,567	\$132,419,713
Office of the Chief Information Officer	\$0	\$0	\$0	\$13,752,121	\$178,544,938	\$192,297,059
Office of the Director	\$0	\$0	\$703,009	\$0	\$6,939,095	\$7,642,104
Office of the General Counsel	\$0	\$0	\$0	\$0	\$6,765,300	\$6,765,300
Office of the Inspector General	\$0	\$0	\$0	\$0	\$34,910,300	\$34,910,300
OPM Human Resources	\$0	\$0	\$0	\$8,127,730	\$1,827,216	\$9,954,946
Rent	\$0	\$0	\$0	\$0	\$27,286,000	\$27,286,000
Retirement Services	\$1,750,660	\$0	\$0	\$117,030,711	\$0	\$118,781,371
Security, Suitability and Credentialing Line of Business (SSCLOB)	\$0	\$0	\$0	\$0	\$8,398,000	\$8,398,000
Suitability Executive Agent Programs	\$1,662,782	\$0	\$0	\$0	\$8,089,769	\$9,752,551
White House Fellows	\$0	\$0	\$0	\$0	\$801,910	\$801,910
<b>OPM Total</b>	<b>\$44,080,253</b>	<b>\$10,747,310</b>	<b>\$16,595,847</b>	<b>\$174,500,361</b>	<b>\$822,885,138</b>	<b>\$1,068,808,908</b>

This table includes the budget administrative activities funded by OPM's Common Services. Financing for Common Services from the Revolving Fund and the OIG is also reflected.



## **Additional Mission Activities Aligned to Key Functions**

OPM performs certain functions as required by statute, regulation, or Executive Order that do not align directly with a specific strategic goal within the strategic plan. These mandated functions also include programs that benefit the Government at-large, including the administration of the Combined Federal Campaign, providing voting rights observations for the Department of Justice and operating the President's Commission on White House Fellows.

### **Key Functions**

#### **Human Capital Management Leadership**

##### *Policy*

OPM interprets and enforces governing law and provides policy direction and leadership in designing, developing, and promulgating Government-wide human capital systems, programs, and policies that support the current and emerging needs of Federal agencies. In addition, the agency provides technical support and guidance to agencies on the full range of human capital management policies and practices, including recruitment, hiring policy and classification, veterans' employment, strategic workforce planning, pay, leave, performance management and recognition, leadership and employee development, diversity and inclusion, work/life/wellness programs, accountability, labor and employee relations, and the ALJ Program. OPM's leadership in these areas enables the Federal Government to anticipate drivers that will influence and impact the Federal workforce. OPM also responds to agency requests to exercise certain Government-wide personnel management authorities that are centrally administered or subject to OPM approval under law, and oversees the implementation of key Administration priorities and goals concerning Government-wide human capital management matters.

##### *Service*

OPM provides customized human capital and training products and services to Federal agencies to maximize their organizational and individual performance and to drive their mission results. Utilizing the agency's internal human capital experts, shared service providers within Government, and/or Government contractors, OPM's personnel management solutions help agencies design effective organizations, recruit and hire top talent, develop and cultivate leaders, build Federal human resource professional capability, improve the performance management process, and achieve long-lasting human capital results.

OPM provides agencies with access to pre-competed private sector contractors through a unique partnership between OPM and the General Services Administration (GSA), as part of the Government-wide Category Management effort. The private contractors, comprised of large and small companies, complement OPM's internal capabilities in the areas of training and development, human capital management, and organizational performance improvement. OPM's involvement facilitates the delivery of services that are both effective and compliant with operative civil service law.

OPM provides a leadership development continuum that enables Federal executives, managers, and aspiring leaders to acquire knowledge and master skills so they can lead within a rapidly changing Government environment. Anchored by the Federal Executive Institute, OPM's leadership development

infrastructure and programs also include Human Resources Solutions, the Presidential Management Fellows Program, the Federal HR Institute, the Process and Performance Improvement program, the Lab at OPM, and USALearning®.

OPM generates Government-wide benefit through Human Resources Information Technology consolidation, standardization, and modernization. OPM offers Federal systems such as Enterprise Human Resource Integration, USALearning®, USA Staffing®, USA Hire<sup>SM</sup>, and USA Performance®. OPM is also developing the necessary information technology infrastructure to facilitate the exchange of human resources data and information Government-wide, as appropriate. Through HCDMM, OPM leads the Government-wide transformation of human resources information technology by focusing on modernization, integration, and performance assessment.

OPM maintains USAJOBS®, the official job site of the Federal Government. It is the one-stop source for Federal jobs and employment information by which, among other things, Federal agencies meet their legal obligations to provide public notice of Federal employment opportunities to Federal employees and American citizens, and interested citizens find information on these opportunities. The USAJOBS website is the portal for Federal recruitment for most Government positions, whether the positions are in the competitive or excepted service.

### ***Oversight***

Through OPM's oversight evaluation work, special studies, and collaboration with agencies, OPM assesses whether Federal human resources programs and human capital management systems are effective and meet merit system principles and related civil service requirements. OPM works directly with agencies to make improvements or changes to programs that are ineffective, inefficient, or not in compliance with Federal law to help them achieve compliance and mission objectives. OPM also adjudicates classification appeals, job grading appeals, Fair Labor Standards Act claims, compensation and leave claims, and declination of reasonable appeals, which provide Federal employees with procedural rights to challenge compensation and related agency decisions.

### **Benefits**

#### ***Federal Benefits for Employees and Annuitants***

OPM facilitates access to the high-caliber healthcare and insurance programs offered by the Federal Government, including health insurance, dental and vision insurance, flexible spending accounts, life insurance, and long-term care insurance, making Federal employment more attractive, and thus enabling agencies to compete for good candidates with other potential employers. OPM manages insurance benefits for more than eight million Federal employees, retirees, and their families, employees of tribes or tribal organizations, and other eligible persons.

Effective in 2019, OPM also offers dental and vision plans to individuals who are eligible as military retirees and their families, members of the Retired Reserve, non-active Medal of Honor recipients, or survivors and family members of active-duty service members.

## Retirement

OPM is responsible for the administration of the Federal Retirement Program covering nearly 2.7 million active employees, including the United States Postal Service, and more than 2.7 million annuitants, survivors, and family members. OPM also administers, develops, and provides 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. Activities include record maintenance and service credit accounts prior to retirement; initial eligibility determinations at retirement; adjudication of annuity benefits based on age and service, disability, or death based on a myriad of statutes and regulations; post-retirement changes due to numerous life events; health and life insurance enrollments; Federal and state tax deductions; as well as other payroll functions.

## Vetting

Through FY 2019, OPM was responsible for providing investigative products and services for more than 100 Federal agencies to use as the basis for a variety of adjudicative decisions, including but not limited to security clearance and suitability decisions as required by Federal law. OPM's investigations program focused on continual process improvement through innovation, stakeholder engagement, and agile acquisition strategy. In FY 2020, the investigative functions previously performed by NBIB moved to the Department of Defense. OPM retains oversight over non-national security investigations.

OPM is also responsible for prescribing suitability, fitness, and credentialing standards for Government employees and contractors and determining investigative standards in conjunction with the Director of National Intelligence. The agency issues guidelines and instructions to the heads of other agencies to promote uniformity and effectiveness when executing their delegated responsibilities, and OPM conducts oversight of agencies' programs and processes in this area. OPM retains jurisdiction of suitability adjudications in circumstances where a Government-wide bar of an individual from Federal service is necessary to promote efficiency and protect the integrity of the service. The agency also provides Government-wide training for adjudicators that conforms to Government-wide training standards.

## Performance Budget Request by Objective, Organization and Fund—All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Additional Mission and Mission Support Activities</b>				
<b>5.1-Additional Mission Activities Aligned to Key Functions</b>			<b>\$510,969,462</b>	<b>898.1</b>
<b>5.1</b>	<b>Centrally Funded Items</b>	Salaries & Expenses	\$3,649,404	0.0
		Trust Fund Annual	\$759,533	0.0
		Common Services	\$786,000	0.0

Strategic Objectives Organization	Fund	Dollars	FTE
<b>5.1 (Cont.)</b>			
<b>Common Services (OPM)</b>	Salaries & Expenses	\$27,814,640	292.0
	Trust Fund Annual	\$49,390,595	0.0
	5 U.S.C. § 8958(f)(2)(A) & 5 U.S.C. § 8988(f)(2)(A) - Dental & Vision	\$348,924	0.0
	5 U.S.C. § 9004(f)(B) - Long-Term Care	\$86,194	0.0
	5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$7,010,629	0.0
	FERCCA (P.L. 106-265) - Retirement	\$169,686	0.0
<b>Employee Services</b>	Salaries & Expenses	\$15,165,809	71.4
<b>Healthcare &amp; Insurance</b>	Trust Fund Annual	\$1,943,626	10.0
	Advances & Reimbursements No Year	\$609,532	0.2
	5 U.S.C. § 8958(f)(2)(A) & 5 U.S.C. § 8988(f)(2)(A) - Dental & Vision	\$6,649,330	15.1
	5 U.S.C. § 9004(f)(B) - Long-Term Care	\$1,011,476	4.9
	5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$122,856	0.2
<b>HR Solutions</b>	Human Resources Solutions	\$296,549,090	483.5
<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$2,455,328	14.9
	Common Services	\$1,093,051	6.0
	Advances & Reimbursements No Year	\$2,206,433	2.2
<b>Office of the Chief Financial Officer</b>	Credit Monitoring	\$85,831,793	2.0
<b>Rent</b>	Salaries & Expenses	\$13,466,000	0.0
	Trust Fund Annual	\$12,756,000	0.0
	5 U.S.C. § 8958(f)(2)(A) & 5 U.S.C. § 8988(f)(2)(A) - Dental & Vision	\$41,000	0.0
	5 U.S.C. § 9004(f)(B) - Long-Term Care	\$9,000	0.0
	5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$1,000,000	0.0
	FERCCA (P.L. 106-265) - Retirement	\$14,000	0.0

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>5.1 (Cont.)</b>				
	<b>Suitability Executive Agent Programs</b>	Suitability Executive Agent	\$8,089,769	47.0
	<b>Security, Suitability and Credentialing Line of Business (SSCLOB)</b>	Salaries & Expenses	\$575,333	0.0
		Advances & Reimbursements Annual	\$3,215,600	11.0
		Advances & Reimbursements No Year	\$4,602,666	0.0
	<b>White House Fellows</b>	Salaries & Expenses	\$801,910	5.0
	<b>OPM Human Resources</b>	Common Services	\$9,974	0.0
	<b>Office of the General Counsel</b>	Common Services	\$6,765,300	33.0
	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$4,512,116	20.7
		Enterprise Human Resources Integration	\$1,367,233	8.0
	<b>Office of the Inspector General</b>	Salaries & Expenses - OIG	\$5,345,000	23.0
		Trust Fund Annual - OIG	\$29,565,300	140.2
<b>OPM Total</b>			<b>\$510,969,462</b>	<b>898.1</b>





## Additional Mission Support Activities

OPM has also included in its budgetary request funds for information technology, contracting, facilities and security, financial management, and overhead functions that do not align directly with a specific strategic goal within the strategic plan.

### Performance Budget Request by Objective, Organization and Fund–All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Additional Mission and Mission Support Activities</b>				
<b>5.2-Additional Mission Support Activities</b>			<b>\$311,915,676</b>	<b>509.9</b>
<b>5.2</b>	<b>Office of the Chief Information Officer</b>	Salaries & Expenses	\$60,656,565	84.0
		Trust Fund Annual	\$57,831	0.0
		Common Services	\$36,821,782	34.0
		Human Resources Solutions Information Technology Program Management Office	\$80,208,760	103.0
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$800,000	0.0
	<b>Congressional, Legislative and Intergovernmental Affairs</b>	Salaries & Expenses	\$2,306,177	12.9
	<b>Employee Services</b>	Salaries & Expenses	\$3,389,335	12.0
	<b>Equal Employment Opportunity</b>	Common Services	\$1,318,414	8.0
	<b>Facilities, Security &amp; Emergency Management</b>	Common Services	\$11,544,133	58.5
		Advances & Reimbursements Annual	\$2,698,620	12.0
	<b>Federal Prevailing Rate Advisory Committee</b>	Salaries & Expenses	\$182,500	1.0
	<b>HR Solutions</b>	Human Resources Solutions	\$31,727,361	45.0
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$1,135,863	4.8
		Common Services	\$14,747	0.0
		Advances & Reimbursements No Year	\$163,862	1.0
	<b>Office of Communications</b>	Salaries & Expenses	\$1,479,666	7.5

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>5.2 (Cont.)</b>				
	<b>Office of Procurement Operations</b>	Salaries & Expenses	\$1,052,715	5.0
		Common Services	\$5,268,839	28.0
	<b>Office of Small and Disadvantaged Business Utilization</b>	Common Services	\$641,384	3.0
	<b>Office of the Chief Financial Officer</b>	Salaries & Expenses	\$750,000	0.0
		Trust Fund Annual	\$7,974,264	38.2
		Common Services	\$1,052,510	1.0
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$1,200,000	0.0
	<b>Office of the Director</b>	Salaries & Expenses	\$6,939,095	26.0
	<b>Security, Suitability and Credentialing Line of Business (SSCLOB)</b>	Advances & Reimbursements Annual	\$4,401	0.0
	<b>OPM Human Resources</b>	Common Services	\$1,817,242	9.0
	<b>Office of Privacy and Information Management</b>	Salaries & Expenses	\$607,324	3.0
		Common Services	\$4,900,741	12.0
	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$5,643,649	0.0
		Enterprise Human Resources Integration	\$37,728,595	0.0
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$1,829,301	1.0
<b>OPM Total</b>			<b>\$311,915,676</b>	<b>509.9</b>

## Strategic Goal 1: Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce

### Performance Budget Request by Objective, Organization and Fund–All Resources

Strategic Objectives	Organization	Fund	FY 2022 CBJ	
			Dollars	FTE
<b>Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce</b>				
<b>1.1-Drive improvements to the hiring process so agencies are able to hire the best candidate in a timely manner</b>			<b>\$11,928,237</b>	<b>62.6</b>
<b>1.1</b>	<b>Employee Services</b>	Salaries & Expenses	\$7,740,976	39.5
	<b>HR Solutions</b>	Human Resources Solutions	\$301,703	2.0
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$668,913	4.1
	<b>Suitability Executive Agent Programs</b>	Suitability Executive Agent	\$1,662,782	9.0
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$1,553,863	8.0
<b>1.2-Achieve reforms to the pay system to drive performance excellence and greater responsiveness to changes in labor markets</b>			<b>\$2,658,410</b>	<b>12.0</b>
<b>1.2</b>	<b>Employee Services</b>	Salaries & Expenses	\$2,658,410	12.0
<b>1.3-Reduce the complexity and costs to administer Federal employee retirement earned benefits by achieving and implementing legislative reform</b>			<b>\$1,772,045</b>	<b>9.1</b>
<b>1.3</b>	<b>Congressional, Legislative and Intergovernmental Affairs</b>	Salaries & Expenses	\$21,385	0.1
	<b>Retirement Services</b>	Trust Fund Annual	\$1,050,397	5.4
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$700,263	3.6
<b>1.4-Improve healthcare quality and affordability in the FEHB program with 75 percent of enrollees in quality affordable plans</b>			<b>\$27,721,561</b>	<b>123.7</b>
<b>1.4</b>	<b>Healthcare &amp; Insurance</b>	Trust Fund Annual	\$27,721,561	123.7
<b>1.5-Transform the background investigation process to improve investigation timeliness</b>			<b>\$0</b>	<b>0.0</b>
<b>OPM Total</b>			<b>\$44,080,253</b>	<b>207.4</b>

## **Strategic Objective 1.1: Drive improvements to the hiring process so agencies are able to hire the best candidate in a timely manner**

**Strategic Objective Owner:** Kim Holden, Deputy Associate Director, Talent Acquisition and Workforce Shaping, ES

**Deputy Strategic Objective Owners:** Ana Mazzi, Deputy Associate Director, MSAC; Dianna Saxman, Deputy Associate Director, Federal Staffing Group, HRS; Lisa Loss, Director, Suitability Executive Agent Programs (SuitEA)

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

In FY 2022, ES, in collaboration with MSAC, will continue to research and evaluate legislative avenues to improve both the time to hire and quality of candidates provided to agencies in the hiring process. As a part of these efforts, ES will reevaluate the 80-day hiring model and explore strategies to improve the applicant experience through simplified, streamlined, and automated adjudication of veterans' preference. In addition, MSAC will assess usage of Direct Hire Authorities granted between FY 2019 and FY 2021, including the authorities granted in response to the COVID-19 pandemic, as part of all evaluations conducted in FY 2022. Further, ES will continue to evaluate the impact of the US Digital Services Subject Matter Expert Qualification Assessment (SME-QA) pilot and leverage opportunities to scale this assessment process for broader use across Government.

ES, MSAC, and HRS will also advance progress toward the related Cross Agency Priority Goal to accelerate enterprise-wide reskilling and deploying efforts so the Federal workforce is better aligned to meet future needs.

In FY 2022, SuitEA will continue its collaboration with ES and HRS in connection with the in-process Trusted Workforce 2.0 (TW 2.0) transformational effort. This ongoing collaboration is to further the integration of hiring process improvements with vetting process efficiencies to optimize information and technology for recruitment, hiring, and sustaining a trusted workforce. The Federal Personnel Core Vetting Doctrine, issued by the Suitability, Credentialing, and Security Executive Agents, effective on February 13, 2021, establishes the philosophy for the government's personnel vetting program, serving as the foundational document that guides TW 2.0 transformative efforts. An overarching principle applicable to the Federal personnel vetting enterprise is to provide Government-wide solutions in the form of policy, information technology shared services, and shared services for business functions. Integrating and improving the flow of human resources and vetting related data aims to maximize efficiency in the collection, use, dissemination, and retention of information across Government so that there is cooperation and timely sharing of relevant information among complementary missions in support of hiring and sustaining a trusted workforce. This includes continuing to facilitate and engage in cross-agency discussions with the Department of Defense as they build and implement new information technology for personnel vetting.

## Implementation Organizations:

ES, MSAC, HRS, and SuitEA

## Performance Measure

Performance Measure	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	Result	Result	Result	Target	Target
Hiring manager satisfaction that applicants are referred in a timely manner and with the skills to perform the job	74.3	73.5	77.9	77.8	77.8

## Performance Budget Request by Objective, Organization and Fund--All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce</b>				
<b>1.1-Drive improvements to the hiring process so agencies are able to hire the best candidate in a timely manner</b>			<b>\$11,928,237</b>	<b>62.6</b>
<b>1.1</b>				
	<b>Employee Services</b>	Salaries & Expenses	\$7,740,976	39.5
	<b>HR Solutions</b>	Human Resources Solutions	\$301,703	2.0
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$668,913	4.1
	<b>Suitability Executive Agent Programs</b>	Suitability Executive Agent	\$1,662,782	9.0
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$1,553,863	8.0

## **Strategic Objective 1.2: Achieve reforms to the pay system to drive performance excellence and greater responsiveness to changes in labor markets**

**Strategic Objective Owner:** Brenda Roberts, Deputy Associate Director, Pay & Leave, ES

**Deputy Strategic Objective Owners:** Kim Holden, Deputy Associate Director, Talent Acquisition and Workforce Shaping, ES; Tim Curry, Deputy Associate Director, Accountability and Workforce Relations, ES

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

In FY 2021, ES will support the efforts of OPM’s Director to work with agencies, Congress, and the Administration to develop and implement legislative, regulatory, and administrative improvements for Federal compensation and leave benefit systems. ES will provide leadership and assist agencies in implementing and optimizing the use of any new or existing pay and leave authorities and flexibilities to address agency workforce needs. ES will develop guidance on new and enhanced authorities in response to COVID-19, such as emergency paid leave, pandemic evacuation pay, and streamlined procedures for restoring annual leave for national emergencies, and in support of the transition to the post-pandemic workplace, such as with telework, work scheduling, and leave options. ES will study lessons learned from the pandemic and leading practices and research surrounding the future of work. ES will finalize regulations and assist agencies and shared service providers in implementing the new paid parental leave benefits. ES will continue to pursue options for administrative and regulatory enhancements to existing compensation flexibilities for employee recruitment and retention, submit a report to the President with options for establishing a \$15 minimum wage for all employees, and provide data analysis and policy options to support pay equity. ES will provide staff support to the President’s Pay Agent, the Federal Salary Council, and the Federal Prevailing Rate Advisory Committee regarding improvements in the comparability methodology between Federal and non-Federal employers.

In FY 2022, ES will explore opportunities for further reform and identify additional legislative, regulatory, or administrative changes, tools, and flexibilities in support of the post-pandemic workplace and the future of work. ES will provide leadership on any legislative, regulatory, or policy changes required to promote pay equity and promote a \$15 per hour minimum wage for Federal employees.

## Implementation Organizations:

ES

### Milestones

Target Completion Date	Description	Status
FY 2018	Complete a study identifying potential areas of improvement in Federal employee compensation and leave benefits systems	Met
FY 2019	Develop options for reforming Federal employee compensation and leave benefits systems (legislative)	Met
FY 2020	Develop additional options for reforming Federal employee compensation and leave benefits systems (regulatory and administrative)	Met
Target Completion Date	Description	
FY 2021	Evaluate, adjust, and expand options for reforming Federal employee compensation and leave benefits systems	
FY 2022	Submit options to OMB to modernize and enhance pay and leave programs that are responsive to agency mission and workforce needs	

## Performance Budget Request by Objective, Organization and Fund—All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce</b>				
<b>1.2-Achieve reforms to the pay system to drive performance excellence and greater responsiveness to changes in labor markets</b>			<b>\$2,658,410</b>	<b>12.0</b>
1.2	Employee Services	Salaries & Expenses	\$2,658,410	12.0
<b>OPM Total</b>			<b>\$2,658,410</b>	<b>12.0</b>

## Strategic Objective 1.3: Reduce the complexity and costs to administer Federal employee retirement earned benefits by achieving and implementing legislative reform

**Strategic Objective Owner:** Lori Amos, Deputy Associate Director, RS

**Deputy Strategic Objective Owner:** Ellen Linehan, Group Chief, Retirement Policy, RS

### FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:

In FY 2021, RS will continue to identify ways to reduce the cost and complexity of administering retirement benefits while also meeting the needs and expectations of the Federal workforce. RS will submit two legislative proposals intended to meet the goal of this strategic objective for OMB consideration.

In FY 2022, RS will use research findings to inform collaboration efforts with CLIA and senior agency leadership to develop a legislative strategy that includes additional legislative proposals and promotes legislative, regulatory, and policy reform designed to reduce the complexity and cost of administering the Federal retirement program in alignment with current Administration priorities.

### Implementation Organizations:

RS and CLIA

### Milestones

Target Completion Date	Description	Status
FY 2018	Submit four legislative proposals for transmittal to Congress	Met
FY 2019	Submit two legislative proposals for transmittal to Congress	Met
FY 2020	Submit at least two retirement reform proposals to the Office of Management and Budget (OMB) for interagency clearance	Met
Target Completion Date	Description	
FY 2021	Submit at least two retirement reform proposals to the Office of Management and Budget (OMB) for interagency clearance	
FY 2022	Submit at least two retirement reform proposals to the Office of Management and Budget (OMB) for interagency clearance	



**Performance Budget Request by Objective, Organization and Fund--All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce</b>				
<b>1.3-Reduce the complexity and costs to administer Federal employee retirement earned benefits by achieving and implementing legislative reform</b>			<b>\$1,772,045</b>	<b>9.1</b>
<b>1.3</b>	<b>Congressional, Legislative and Intergovernmental Affairs</b>	Salaries & Expenses	\$21,385	0.1
	<b>Retirement Services</b>	Trust Fund Annual	\$1,050,397	5.4
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$700,263	3.6
<b>OPM Total</b>			<b>\$1,772,045</b>	<b>9.1</b>

## **Strategic Objective 1.4: Improve healthcare quality and affordability in the FEHB program with 75 percent of enrollees in quality affordable plans**

**Strategic Objective Owner:** Laurie Bodenheimer, Associate Director, HI

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

In FY 2021, HI will complete implementation of the Agency Priority Goal to establish the FEHB Master Enrollment Index. To complete this effort, HI will expand the collection and analysis of data from FEHB carriers and other sources. HI will also conduct its annual review of potential updates to Clinical Quality, Customer Service, and Resource Use measures and priority weights under the FEHB Plan Performance Assessment. HI will work to develop a measure related to the total cost of care and will continue efforts to improve the FEHB enrollment experience.

To improve quality and affordability, in accordance with OPM policy guidance, for plan year 2021 all FEHB Program plans were required to provide price and quality transparency tools that allow enrollees to make informed healthcare decisions. HI will continue to focus on the COVID-19 pandemic, access to mental health and substance use disorder services, opioids, and prior authorization for prescription drugs. To enhance the quality and affordability of FEHB plans, OPM has asked FEHB carriers to identify specific examples of low-value care that will no longer be covered or will receive enhanced review, as well as internal procedures for continuing review of covered benefits to avoid payment for and provision of low-value care. OPM is also focused on surprise billing and other provisions outlined in the Consolidated Appropriations Act, 2021 and applicable provisions of the American Rescue Plan Act, as well as issues around health equity and gender affirming care and services.

In FY 2022, HI will further refine and update the FEHB Plan Performance Assessment. HI will also begin analysis of the FEHB Master Enrollment Index data to inform efforts to promote more effective program management and improve program integrity. In accordance with previously issued OPM guidance regarding the promotion of price transparency for FEHB enrollees, by FY 2022 FEHB carriers will include information in their provider search tools on the availability of in-network providers at in-network hospitals or treating facilities for certain categories of physicians and services.

### **Implementation Organizations:**

HI

### **Performance Measure**

<b>Performance Measure</b>	<b>FY 2018 Result</b>	<b>FY 2019 Result</b>	<b>FY 2020 Result</b>	<b>FY 2021 Target</b>	<b>FY 2022 Target</b>
Percent of FEHB enrollees in quality affordable plans	70.9%	80.9%	81.1%	73%	75%

**Performance Budget Request by Objective, Organization and Fund--All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
Transform hiring, pay, and benefits across the Federal Government to attract and retain the best civilian workforce				
1.4-Improve healthcare quality and affordability in the FEHB program with 75 percent of enrollees in quality affordable plans			\$27,721,561	123.7
1.4	Healthcare & Insurance	Trust Fund Annual	\$27,721,561	123.7
<b>OPM Total</b>			<b>\$27,721,561</b>	<b>123.7</b>



## Strategic Goal 2: Lead the establishment and modernization of human capital information technology and data management systems and solutions

### Performance Budget Request by Objective, Organization and Fund–All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Lead the establishment and modernization of human capital information technology and data management systems and solutions</b>				
<b>2.1-Improve collection and analysis of data to better inform human capital management decisions</b>			<b>\$3,142,507</b>	<b>15.6</b>
<b>2.1</b>	<b>Employee Services</b>	Salaries & Expenses	\$2,416,150	11.4
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$297,595	1.9
	<b>Office of the Chief Financial Officer</b>	Common Services	\$187,215	1.0
	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$72,828	0.3
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$168,719	1.0
<b>2.2-Advance human capital management through the strategic use of interoperable HR IT that connects all parts of the talent management lifecycle and drives adoption of the Software as a Service model by the end of 2022</b>			<b>\$3,892,239</b>	<b>9.0</b>
<b>2.2</b>	<b>HR Solutions</b>	Human Resources Solutions	\$2,552,303	3.0
	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$1,339,936	6.0
<b>2.3-Streamline data collection and leverage data repositories to enhance enterprise-wide Human Resource (HR) data analytics and reduce low-value reporting requirements</b>			<b>\$3,712,564</b>	<b>2.5</b>
<b>2.3</b>	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$562,564	2.5
		HR Line of Business	\$3,150,000	0.0
<b>OPM Total</b>			<b>\$10,747,310</b>	<b>27.1</b>

## Strategic Objective 2.1: Improve collection and analysis of data to better inform human capital management decisions

**Strategic Objective Owner:** Suzanne Logan, Senior Advisor, ES

**Deputy Strategic Objective Owner:** Jason Barke, Acting Principal Associate Director, ES

### FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:

In FY 2021, the agency, including OCFO, ES, MSAC, HCDMM and other offices, will begin executing OPM’s Learning Agenda. The agency will seek to leverage internal and external subject matter experts to perform this work. OPM will also improve the use of data analytics within the OPM workforce through training. A curriculum will include: Overall Use of Data for Beginners, Evidence-Based Policy, Data Visualization, and Use of FedScope Data.

Further, ES will increase use of foresight strategies across Government to mitigate skill gaps in high risk mission critical occupations. This effort will combine a systematic process of addressing mission critical occupation skills gaps and carrying out workshops with all CFO Act agencies to improve their workforce planning efforts. As required by 5 CFR Pt. 250 (B), ES will also carry out research and draft the quadrennial Federal Workforce Priorities Report, which will be completed and published in FY 2022. The report will communicate key Government-wide human capital priorities and suggested strategies and help inform agency strategic and human capital planning. OPM requests that agencies align their human capital management strategies to support the Federal Workforce Priorities Report, as demonstrated in Human Capital Operating Plans.

In FY 2022, OPM, including OCFO, ES, MSAC, HCDMM, and other offices, will execute the agency’s Learning Agenda, identifying opportunities to work with academic researchers to answer questions.

OPM and other Federal experts will continue to provide trainings that advance the skills and knowledge of the OPM workforce. ES will assist agencies in implementing foresight strategies to mitigate skills gaps in high risk mission critical occupations and use said strategies to spot trends for the future of their workforces. ES will finalize and publish the FY 2022 Federal Workforce Priorities Report.

### Implementation Organizations:

ES, MSAC, HCDMM, and OCFO

### Performance Measure

Performance Measure	FY 2018 Result	FY 2019 Result	FY 2020 Result	FY 2021 Target	FY 2022 Target
Percent of OPM policies that embed data analysis and research	72.7%	100%	90.9	80%	85%

## Milestones

Target Completion Date	Description	Status
FY 2019	Finalize OPM's research agenda	Not Met
FY 2020	Finalize OPM's research agenda*	Met

\*The research agenda is OPM's interim FY 2022-2026 Learning Agenda.

Target Completion Date	Description
FY 2021	Develop pilot or demonstration projects based on OPM's research agenda

## Performance Budget Request by Objective, Organization and Fund--All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Lead the establishment and modernization of human capital information technology and data management systems and solutions</b>				
<b>2.1-Improve collection and analysis of data to better inform human capital management decisions</b>			<b>\$3,142,507</b>	<b>15.6</b>
<b>2.1</b>	<b>Employee Services</b>	Salaries & Expenses	\$2,416,150	11.4
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$297,595	1.9
	<b>Office of the Chief Financial Officer</b>	Common Services	\$187,215	1.0
	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$72,828	0.3
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$168,719	1.0
<b>OPM Total</b>			<b>\$3,142,507</b>	<b>15.6</b>

## **Strategic Objective 2.2: Advance human capital management through the strategic use of interoperable HR IT that connects all parts of the talent management lifecycle and drives adoption of the Software as a Service model by the end of 2022**

**Strategic Objective Owner:** Reginald Brown, Principal Deputy Associate Director, HRS

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

By the end of December 2021, HCDMM anticipates the completion and OPM approval of the Human Capital Integrated Business Framework (HC-FIBF) standards for the following sub-functions: Diversity and Inclusion (A1.4), Employee Engagement (A1.5), Employee Records Recordkeeping (A9.5), and Employee Records Disclosure (A9.6). HCDMM also aims to complete and receive approval for the following functions: Employee Relations and Continuous Vetting (A7), Labor Relations (A8), and Agency Human Capital Evaluation (A10). As those move towards completion, HCDMM will begin the effort to lead and support agencies in adoption and implementation of the standards.

In FY 2021, HRS will advance the evolution of the USA Suite components to enterprise-class solutions that are integrated across the planned HR IT ecosystem and support the secure exchange and sharing of data for evidence-informed decision-making. The USA Suite team within HRS will utilize a Shared Application Program Interface (API) approach that leverages global technical standards to put into production a single, standardized USA Suite API Platform. Throughout FY 2021 and the first half of FY 2022, HRS will grow its library of standard bulk APIs to support secure interactions with operational HR IT and analytical systems. HRS will include standard data exchanges that provide time-to-hire data to agencies and an automated data exchange with the Department of Veterans Affairs that streamlines collection of veteran's preference data for staffing activities. HRS will also continue advanced planning for a modern, cloud-based data warehousing strategy with shared skilled sets, development practices, and a data science platform in advanced planning that HRS will continue to build out through FY 2022.

Throughout FY 2021 and FY 2022, HRS will continue to assess opportunities to provide a USA Suite-wide, unified user experience and assess the business value of an initial set of advanced technologies such as talent analytics, robotic process automation, artificial intelligence and machine learning, and/or mobile capabilities. In FY 2021, HRS entered into an agreement with the National Technology Information Service (NTIS) and its cadre of industry providers to pilot the use of an AI-based candidate user experience where job seekers are matched to job opportunities which they have indicated they may have an interest. This effort aims to attract job seekers to targeted Federal Government positions for which they may be qualified and match their skills and interests to open positions on their own. In FY 2021, OPM will put these capabilities into service with the USA Suite Open Opportunities application and continue to monitor and assess them for potential inclusion in USAJOBS® capabilities in FY 2022. Likewise, during FY 2021, HRS is exploring opportunities to serve USA Suite customers through AI-based chatbot capabilities and to automate certain workflows and data management tasks.



Throughout FY 2022, HRS will partner with HCDMM to drive and lead adoption of evolving HC-FIBF and HC data standards in Talent Acquisition, Employee Performance Management, and Talent Development. Through the adoption of these evolving standards, HRS' USA Suite will be in a position to quickly support seamless interactions with a potential Employee Digital Record.

Likewise, HRS and the HCDMM team will continue their collaboration to create and lead a cross-Government, interoperable end-to-end HR IT community for the advancement of standards, APIs, and common quality data in FY 2022.

### Implementation Organizations:

HRS and HCDMM

### Milestones

Target Completion Date	Description	Status
FY 2018	Complete Human Capital Federal Integrated Business Framework standards for all Talent Management Functions (Talent Acquisition, Talent Development, Employee Performance Management, Compensation and Benefits, and Separation and Retirement)	Met
FY 2019	Make the USAService SaaS solutions available on a FedRamp "high" cloud available to agencies for the complete talent management lifecycle	Met
FY 2019	Make one-two additional SaaS solutions available on a FedRamp "high" cloud to agencies for the complete talent management lifecycle	Met
FY 2019	Complete and approve the Agency HC Strategy, Policies, and Operation Human Capital-Federal Integrated Business Framework	Not Met
FY 2019	Complete and approve the Workforce Analytics and Employee Records Human Capital-Federal Integrated Business Framework	Not Met
FY 2020	Complete and approve the Employee Relations and Continuous Vetting, Labor Relations, and Human-Capital Integrated Business Frameworks	Not Met*

\* OPM aims to complete this milestone by September 30, 2021.

Target Completion Date	Description
FY 2021	Deploy an API-based integration solution that seamlessly connects the USA Suite components to each other and to external providers and participants in the human capital management ecosystem and statistical agencies that consume OPM's data.
FY2021	Complete and receive approval of the HC-FIBF Service Profiles for HCBRM sub-Functions A1.4 (Diversity and Inclusion), A1.5 (Employee Engagement), A9.5 (Employee Records Recordkeeping), and A9.6 (Employee Records Disclosure); as well as Functions: A7 (Employee Relations and Continuous Vetting), A8 (Labor Relations), and A10 (Agency Human Capital Evaluation).
FY 2022	Update the HCBRM/HC-FIBF in response to change requests from the Federal Human Capital community, agency human resources offices, and the Business Standards Council.
FY 2022	Drive adoption and implementation of HCBRM/HC-FIBF within agencies and service providers by creating an Implementation Playbook which agency HR offices can use to modernize human resource delivery.

**Performance Budget Request by Objective, Organization and Fund--All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
Lead the establishment and modernization of human capital information technology and data management systems and solutions				
2.2-Advance human capital management through the strategic use of interoperable HR IT that connects all parts of the talent management lifecycle and drives adoption of the Software as a Service model by the end of 2022				
2.2	HR Solutions Human Capital Data Management and Modernization	Human Resources Solutions	\$2,552,303	3.0
		Salaries & Expenses	\$1,339,936	6.0
<b>OPM Total</b>				

## **Objective: 2.3: Streamline data collection and leverage data repositories to enhance enterprise-wide Human Resource (HR) data analytics and reduce low-value reporting requirements**

**Strategic Objective Owner:** Jeffrey Pollack, Acting HR Policy, Performance, & Operations Program Manager, HCDMM

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

In FY 2021, HCDMM will continue to build out the Human Capital Information Model (HCIM) in additional areas, including implementation of the new Record of Leave data. HCDMM will also lead the adoption of HCIM data standards by other agencies and service providers. Towards this effort, HCDMM will interview early adopters of both HCIM and FIBR standards, write a playbook for adoption and implementation, and conduct a “roadshow” for agencies interested in learning more.

In FY 2022, HCDMM, in consultation with the OCIO, will continue to explore the Employee Digital Record (EDR) initiative. HCDMM will conduct customer research with internal and external stakeholders to identify opportunities to centralize the Federal employee personnel data (e.g., promotions, agency reassignments) and make it readily accessible for reuse. This customer research will also inform the modernization of EHRI and Electronic Office Personnel Folder (eOPF) systems so that the EDR initiative becomes a component of the larger human capital data transformation plan. Through these efforts, agencies and service providers will have a single source for downloading and consuming updated pay tables, locality pay information, duty stations, bargaining units, bargaining unit contribution data, retirement plan contribution data, Thrift Savings Plan (TSP) contribution data, and health benefits and insurance contributions data.

### **Implementation Organization:**

HCDMM

### **Milestones**

<b>Target Completion Date</b>	<b>Description</b>	<b>Status</b>
FY 2018	Release alpha version of Employee Digital Record data standard (Payroll and Time & Attendance)	Met
FY 2018	Release beta version of Employee Digital Record data standard (Payroll and Time & Attendance)	Met
FY 2018	Release first version of Employee Digital Record data standard so that the HR community can speak a common language	Met
FY 2018	Analyze privacy metadata and prioritize privacy integration	N/A
FY 2018	Establish Data Review Board so that OPM leadership demonstrates and executes on the importance of data	Met
FY 2018	Establish Executive Steering Committee so that executive leadership are aware, informed, and in-sync with the future strategic and tactical vision of Employee Digital Record	Met
FY 2018	Establish data feeds based on Employee Digital Record data standards	N/A
FY 2018	Design and prototype state of the art data exchange protocol	Met

Target Completion Date	Description	Status
FY 2019	Integrate initial privacy content into Human Capital Information Model so that data can be smartly designed and securely shared	N/A
FY 2019	Stand up initial data repository so that other agencies and industry can interoperate and use the data standard	N/A
FY 2019	Build and provide a state of the art data exchange platform	N/A
FY 2019	Socialize initial data integration with providers	Met
FY 2020	Release Federal integrated data standards	Not Met*

\*OPM aims to complete this milestone by September 30, 2021.

Target Completion Date	Description
FY2021	Establish business case for Employee Digital Record.
FY2021	Build complete HCIM data standard.
FY2021	Drive adoption and implementation of HCIM to all agencies and service providers initiating new HCIM related systems.
FY2022	Consolidate data sources for human capital and payroll operations.

## Performance Budget Request by Objective, Organization and Fund--All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Lead the establishment and modernization of human capital information technology and data management systems and solutions</b>				
<b>2.3-Streamline data collection and leverage data repositories to enhance enterprise-wide Human Resource (HR) data analytics and reduce low-value reporting requirements</b>			<b>\$3,712,564</b>	<b>2.5</b>
<b>2.3</b>	<b>Human Capital Data Management and Modernization</b>	Salaries & Expenses	\$562,564	2.5
			\$3,150,000	0.0
<b>OPM Total</b>			<b>\$3,712,564</b>	<b>2.5</b>

## Strategic Goal 3: Improve integration and communication of OPM services to Federal agencies to meet emerging needs

### Performance Budget Request by Objective, Organization and Fund–All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Improve integration and communication of OPM services to Federal agencies to meet emerging needs</b>				
<b>3.1-Strengthen OPM coordination of policy, service delivery, and oversight resulting in agencies' achievement of human capital objectives</b>			<b>\$15,448,947</b>	<b>91.5</b>
<b>3.1</b>	<b>Employee Services</b>	Salaries & Expenses	\$4,600,609	24.5
	<b>HR Solutions</b>	Human Resources Solutions	\$449,393	2.0
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$9,473,781	60.0
	<b>Office of the Director</b>	Advances & Reimbursements Annual	\$703,009	4.0
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$222,155	1.0
<b>3.2-Achieve recognition as the trusted human capital management advisor</b>			<b>\$1,146,900</b>	<b>5.2</b>
<b>3.2</b>	<b>Employee Services</b>	Salaries & Expenses	\$222,155	1.0
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$53,497	0.2
	<b>Office of Communications</b>	Salaries & Expenses	\$671,878	3.0
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$199,370	1.0
<b>OPM Total</b>			<b>\$16,595,847</b>	<b>96.7</b>

## **Strategic Objective 3.1: Strengthen OPM coordination of policy, service delivery, and oversight resulting in agencies' achievement of human capital objectives**

**Strategic Objective Owner:** Ana Mazzi, Principal Deputy Associate Director, MSAC

**Deputy Strategic Objective Owners:** Reginald Brown, Principal Deputy Associate Director, HRS; Kimberly Holden, Deputy Associate Director, ES

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

In FY 2021, MSAC, ES, and HRS will continue efforts to integrate data analytics into agency engagements and internal activities, utilize training, and enhance products. The agency aims to train all MSAC, ES, and HRS staff on using data to support initiatives to modernize human capital management. To that end, OPM will develop courses for the data visualization training roll out to all OPM employees. For external engagements, OPM will use a recently procured Business Intelligence tool to provide customers with better access to USA Staffing, USAJOBS, USA Hire, and USA Performance data. The tool should allow OPM to develop standard reports and dashboards for customers to access and allow advanced users to build their own reports and dashboards.

OPM will continue to update agency personas, honing the personas to provide a consolidated, customer-centric view of critical information related to each agency. OPM will use these personas to provide a consistent up-to-date source of data for policy, products, and oversight engagements.

ES, HRS, and MSAC will continue to collaborate to increase HR capabilities across the Government. OPM will continue to design and implement HR pilots that focus on reskilling and upskilling efforts; design and implement training; and develop program evaluation capacities. OPM also is launching the Federal Workforce Competency Initiative to update the Government-wide competency models. This initiative will provide OPM and Federal agencies with a current data-based foundation for a wide variety of human capital activities, including job design, recruitment, selection, performance management, training, and career development. OPM will use the data to inform policy areas such as qualifications and classification. This initiative will build upon and update competency data collected in OPM's Multipurpose Occupational Systems Analysis Inventory Closed-ended (MOSAIC) studies conducted in the 1990s and early 2000s.

In FY 2022, OPM will complete a second cycle of Evaluation System Assessments for all 24 CHCO Act agencies to determine agency progress in implementing the human capital business process. OPM will assess how agencies are using all elements of the Evaluation System to drive improvements in human capital management. To identify trends and best practices, OPM will apply the standards contained in the Evaluation System Maturity Model to confirm agency systems are: formal and documented; include leadership involvement, communicated properly; use data-driven decision-making to plan and implement; and, include an assessment to inform ongoing and future planning efforts. OPM will also conduct Human Capital Review workshops with all 24 CHCO agencies. OPM will use the FY 2022 workshops to

highlight the President’s Management Agenda and the content of the FY 2021 Federal Workforce Priorities Report.

**Implementation Organizations:**

ES, MSAC, and HRS

**Performance Measure**

Performance Measure	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	Result	Result	Result	Target	Target
Percent of users who agree OPM human capital services are helpful in achieving human capital objectives	86.5%*	83.1%	89.3%	87%	87%

\* No historical data available for this period.

**Performance Budget Request by Objective, Organization and Fund–All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Improve integration and communication of OPM services to Federal agencies to meet emerging needs</b>				
<b>3.1-Strengthen OPM coordination of policy, service delivery, and oversight resulting in agencies’ achievement of human capital objectives</b>			<b>\$15,448,947</b>	<b>91.5</b>
<b>3.1</b>	<b>Employee Services</b>	Salaries & Expenses	\$4,600,609	24.5
	<b>HR Solutions</b>	Human Resources Solutions	\$449,393	2.0
	<b>Merit System Accountability &amp; Compliance</b>	Salaries & Expenses	\$9,473,781	60.0
	<b>Office of the Director</b>	Advances & Reimbursements Annual	\$703,009	4.0
	<b>Diversity, Equity, Inclusion and Accessibility</b>	Salaries & Expenses	\$222,155	1.0
<b>OPM Total</b>			<b>\$15,448,947</b>	<b>91.5</b>

## Strategic Objective 3.2: Achieve recognition as the trusted human capital management advisor

**Strategic Objective Owner:** Laura Goulding, Acting Director, Office of Communications

**Deputy Strategic Objective Owner:** Margot Conrad, Executive Director, CHCO Council

### FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:

In FY 2021, the Office of Communications (OC) will evaluate and refine OPM’s strategic communications through the lens of a few new factors, including the priorities of the new presidential Administration, the National Academy of Public Administration study and recommendations, and the OPM’s next strategic plan.

OC will prioritize the development and dissemination of messaging that supports the concept of a strong and independent OPM through strategic use of the agency’s many subject matter experts, its network of stakeholders (including media and good government groups), and a renewed focus on digital modernization. OC has also begun work on reimagining the brand strategy for OPM. Internally, OC will partner with the Chief Human Capital Officers (CHCO) Council and OCIO to support this objective.

In FY 2022, OC will make progress in the areas of digital modernization, brand revitalization, and messaging reinforcement based on the strategic planning taking place in FY 2021.

### Implementation Organizations:

OC, OCIO, CHCOC, and MSAC

### Performance Measure

Performance Measure	FY 2018 Result	FY 2019 Result	FY 2020 Result	FY 2021 Target	FY 2022 Target
Percent of the Federal human capital management community satisfied with OPM's services and guidance	No Survey	No Survey	No Survey	Establish Baseline	Establish Baseline

## Performance Budget Request by Objective, Organization and Fund—All Resources

Strategic Objectives				Dollars	FTE
Improve integration and communication of OPM services to Federal agencies to meet emerging needs					
3.2-Achieve recognition as the trusted human capital management advisor				\$1,146,900	5.2
3.2	Employee Services	Salaries & Expenses		\$222,155	1.0
	Merit System Accountability & Compliance	Salaries & Expenses		\$53,497	0.2
	Office of Communications	Salaries & Expenses		\$671,878	3.0
	Diversity, Equity, Inclusion and Accessibility	Salaries & Expenses		\$199,370	1.0
OPM Total				\$1,146,900	5.2



## Strategic Goal 4: Optimize agency performance

### Performance Budget Request by Objective, Organization and Fund--All Resources

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Optimize Agency Performance</b>				
<b>4.1-Improve collaboration, transparency, and communication among OPM leadership to make better, more efficient decisions, increasing OPM’s collaborative management score by 4 percentage points</b>			<b>\$185,491</b>	<b>1.0</b>
4.1	<b>Office of the Chief Information Officer</b>	Common Services	\$15,293	0.0
	<b>Office of the Chief Financial Officer</b>	Common Services	\$170,198	1.0
<b>4.2-Invest in OPM management and provide the tools managers need to maximize employee performance, improving OPM’s score in dealing with poor performers by 4 percentage points</b>			<b>\$1,627,637</b>	<b>7.5</b>
4.2	<b>OPM Human Resources</b>	Common Services	\$1,627,637	7.5
<b>4.3-Exceed the Government-wide average satisfaction score for each agency mission support service</b>			<b>\$41,919,694</b>	<b>97.4</b>
4.3	<b>Facilities, Security &amp; Emergency Management</b>	Common Services	\$145,382	0.5
	<b>Office of Procurement Operations</b>	Salaries & Expenses	\$20,486	0.0
	<b>Office of the Chief Financial Officer</b>	Salaries & Expenses	\$780,000	0.0
		IT Modernization S&E	\$8,842,000	5.4
		Trust Fund Annual	\$522,894	2.0
		Common Services	\$25,108,839	61.5
	<b>OPM Human Resources</b>	Common Services	\$6,500,093	28.0
<b>4.4-Improve retirement services by reducing the average time to answer calls to 5 minutes or less and achieve an average case processing time of 60 days or less</b>			<b>\$130,767,539</b>	<b>982.0</b>
4.4	<b>Office of the Chief Information Officer</b>	Trust Fund Annual	\$11,049,608	24.6
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$2,687,220	1.4
	<b>Retirement Services</b>	Trust Fund Annual	\$61,773,691	510.0
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$53,968,728	436.0
		FERCCA (P.L. 106-265) - Retirement	\$1,288,292	10.0
<b>OPM Total</b>			<b>\$174,500,361</b>	<b>1,087.9</b>

## **Strategic Objective 4.1: Improve collaboration, transparency, and communication among OPM leadership to make better, more efficient decisions, increasing OPM’s collaborative management score by 4 percentage points**

**Strategic Objective Owner:** Lisa Loss, Director, Suitability Executive Agent Programs

**Deputy Strategic Objective Owners:** Guy Cavallo, Acting Chief Information Officer, OCIO

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

During FY 2021 and FY 2022, OPM will continue to employ the strategies identified in its FY 2018 – FY 2022 Strategic Plan to improve communication, collaboration, and transparency among OPM’s leaders to support improved decision-making. In FY 2021, as the agency begins to develop and refine its next set of strategic goals and objectives, OPM will seek to align its strategic planning, budget, and performance to the OPM corporate risk profile.

OPM’s Performance Review Board will review the outcomes of the use of the corporate performance score for senior leaders’ FY 2020 pay adjustments and performance awards and will recommend to OPM leadership whether they should continue to utilize the score for FY 2021. OCFO anticipates initiating the development of organizational risk registers for Enterprise Risk Management across all OPM programs in FY 2021.

In FY 2021, OCIO will begin the acquisition of any additional tools identified in its FY 2020 exploration for improvements to OPM’s virtual communications capabilities. These improvements may include enhancements to the agency’s Office 365 suite of services, such as enhancements for voice, instant messaging, videoconferencing, improved document sharing functionality, and social media capabilities. OCIO will launch new persistent chat, video conferencing, and cloud-based document management tools and capabilities to the entire OPM user base, including robust training from basic to advanced levels, incorporating OPM policies for acceptable use, data protection, privacy, and records management. In March, OCIO launched a “Champions network” across the agency and began a training pilot with this group of employees to test new collaboration tools and improve training and communications for the launch of enterprise capabilities. OCIO will also begin migrating end-of-life, back-office applications to new cloud platforms, starting with a new version of its document clearance processing system. In March 2021, OCIO rolled out program office demonstrations for the new document management application, completed a rigorous security assessment, and received Authorization to Operate.

In FY 2021 and FY 2022, OPM will continue to strengthen mechanisms to improve communication. In February 2021, OPM began to deploy a strategy to invigorate internal OPM communications. Specific measures included the reinstatement of all-agency Town Halls for communication between leadership and employees using a live video platform, listening sessions with employee resource groups and affinity groups, monthly all-SES meetings, and reestablishment of regular meetings of OPM’s Diversity and Inclusion Council.

In FY 2022, OCIO will conclude deployment of additional collaboration tools identified in FY 2020 and FY 2021. OCFO will conclude the development of program office risk registers and initial risk responses and continue to refine the program. OPM will also consider whether to continue the use of the corporate citizenship element of senior leaders' performance assessments.

In FY 2022, as the agency finalizes its strategic goals, OPM will meet the mandate in OMB Circular A-11 and endeavor to tie its strategic planning, budgeting and performance management process with Enterprise Risk Management, establishing a risk profile that ties directly to the risks in meeting strategic goals and objectives in the new strategic plan. OPM will also tie its FY 2022-2026 Strategic Plan and budgeting and performance management process with Enterprise Risk Management, establishing a risk profile that ties directly to the risks in meeting strategic goals and objectives in the new strategic plan. OPM will continue to execute mechanisms for ongoing communication and collaboration with OPM's workforce and senior leaders to improve transparency and decision making; particularly as OPM begins to execute its Learning Agenda.

**Implementation Organizations:**

OCIO and OCFO

**Performance Measure**

Performance Measure	FY 2018 Result	FY 2019 Result	FY 2020 Result	FY 2021 Target	FY 2022 Target
Collaborative Management Score	61.6%	65.1%	Not Measured	64.5%	65.5%
Collaborative Management Score (Managers and Supervisors)	80.7%	75.9%	Not Measured	82.7%	84.7%

**Performance Budget Request by Objective, Organization and Fund--All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Optimize Agency Performance</b>				
<b>4.1-Improve collaboration, transparency, and communication among OPM leadership to make better, more efficient decisions, increasing OPM's collaborative management score by 4 percentage points</b>			<b>\$185,491</b>	<b>1.0</b>
<b>4.1</b>	<b>Office of the Chief Information Officer</b>	Common Services	\$15,293	0.0
	<b>Office of the Chief Financial Officer</b>	Common Services	\$170,198	1.0
<b>OPM Total</b>			<b>\$185,491</b>	<b>1.0</b>

**Strategic Objective 4.2: Invest in OPM management and provide the tools managers need to maximize employee performance, improving OPM’s score in dealing with poor performers by 4 percentage points**

**Strategic Objective Owner:** Tyshawn Thomas, Chief Human Capital Officer, OPM HR

**Deputy Strategic Objective Owner:** Suzanne Logan, Senior Advisor, ES

**FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

OPM has achieved this objective – improving OPM’s score in dealing with poor performers by 4 percentage points. OPM has discontinued this objective to allow for more focus on other agency priorities.

**Implementation Organizations:**

OPM HR

**Performance Measure**

Performance Measure	FY 2018 Result	FY 2019 Result	FY 2020 Result	FY 2021 Target	FY 2022 Target
Percent of employees satisfied with steps taken to address poor performance	45.4%	46.5%	49.8%	45.8%	47.9%

**Performance Budget Request by Objective, Organization and Fund–All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Optimize Agency Performance</b>				
4.2-Invest in OPM management and provide the tools managers need to maximize employee performance, improving OPM’s score in dealing with poor performers by 4 percentage points			\$1,627,637	7.5
4.2	OPM Human Resources	Common Services	\$1,627,637	7.5
<b>OPM Total</b>			<b>\$1,627,637</b>	<b>7.5</b>

## **Strategic Objective 4.3: Exceed the Government-wide average satisfaction score for each agency mission support service**

**Strategic Objective Owner:** Dennis Coleman, Chief Financial Officer, OCFO

**Deputy Strategic Objective Owners:** Guy Cavallo, Acting Chief Information Officer, OCIO; Tyshawn Thomas, Chief Human Capital Officer, OPM HR; Todd Anthony, Senior Procurement Executive and Director, OPO; Everette Reid Hilliard, Director, FSEM

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

OPM HR – In FY 2021, OPM HR will focus on providing bi-annual status briefings to program and support offices on OPM HR services. These human capital briefings will include topics such as: organizational data on demographics, prospective retirements, hiring, and turnover; organization-specific recruitment and placement strategies; employee and labor relations topics; and workforce and succession planning. OPM HR will also roll out an automated telework process. By automating this process, supervisors will be able to review and track telework agreements for their employees. Employees will be able to seamlessly submit requests to their supervisors.

In FY 2022, OPM HR will continue to provide briefings for programs on OPM HR services. OPM HR will continue to partner with organizations to increase visibility of services and provide points of contact. By working with each organization and providing agency-wide guidance, OPM HR hopes to further establish its role as a trusted, forward-thinking business partner. Further, OPM HR will begin converting the performance management process from a manual, paper-based format into a digital workflow. This will modernize OPM performance management into an easier, more efficient process for OPM employees and supervisors, and increase accuracy of data.

OCFO – In FY 2021 OCFO, began implementing its organization development and change management initiative, which will strategically transform the foundational core at all levels of the organization to improve production, performance, and efficiency, and leverage employee skillsets. OCFO will assess the organization structure, workforce, and performance, and set improvement goals through a strategic, action-based framework. OCFO has completed milestones to transition its administrative systems to a Shared Service Provider to better serve the business owner and stakeholders. This move will significantly reduce OPM’s long-term cost of operations, service delivery, and acquisition capabilities; reduce manual processing; increase automation; improve reconciliation of procurement actions; and improve the processing time for contracts, thereby strengthening overall service delivery. Further, in FY 2021, the Trust Funds Modernization Program will complete the requirements verification and system design activities required to deploy Core Financial Management and Investment Management functionally in FY 2023. The Program will also conduct training, develop new operating procedures, and execute communication strategies designed to support the new systems and business processes. OCFO is also creating an internal portal to create transparency and access to financial information for agency program offices and senior leadership. OCFO anticipates deploying a pilot version of the portal to targeted stakeholders to obtain feedback by the end of the fiscal year.

In FY 2022, OCFO will continue to implement the organization development and change management strategy, focusing on activities to improve service delivery across all financial management functions. OCFO plans to move to a new organizational structure that best meets its mission, initiate a training approach to enhance skillsets, strengthen workforce capabilities, and focus on efforts that will allow OCFO to move more efficient activities. Additionally, OCFO will continue technology and business process enhancements through new shared service arrangements for OPM's administrative and trust funds financial systems. For improved financial management accountability, OCFO will elevate its communication approach with customers and mature internal control and financial policy operations to provide guidance on all aspects of financial management within the agency. OCFO will give continued attention to providing enhanced financial reporting, analytics, and tracking that are dependent on automated financial tools and systems. Further, service-level expectations will be more tailored to each organization with specific metrics that define the minimum levels of service.

OPO – In FY 2021, OPO will partner with OCFO in its efforts to improve acquisition capabilities through the migration to a shared services provider. OPO will continue to provide outreach and acquisition planning training to agency programs. OPO plans to improve customer experience by realigning activities to better enable OPM's core mission areas. OPO will also improve customer experience by hiring additional Federal staff, contracting specialists and contracting officers to increase the level of contracting support available to mission critical programs.

OPO also anticipates establishing quarterly meetings with OPM's Contracting Officer's Representatives aimed at improving collaboration between OPO and program offices and provide development opportunities targeted to specific challenge areas. Further, OPO plans to implement a new secured environment that will allow OPO to share, store, and protect contract information. OPM is designing the shared site to provide connection across OPM's program offices and will provide access to dashboards, early engagement opportunities, and fast and easy data entry.

In FY 2022, OPO plans to improve customer experience through implementation of an agency-wide Annual Acquisition Plan, which will help OPM forecast and manage acquisition workload, facilitate performance management activities, and enable spend analysis to maximize support of small business programs and smarter spending through category and demand management.

FSEM – In FY 2021, FSEM plans to continue to implement energy efficiency efforts through the Energy Savings Performance Contract for resilience and data center improvement. FSEM plans to continue implementing the response to COVID-19 as outlined in the OPM COVID-19 Safety Workforce Plan, to protect the OPM workforce, contractors, other building occupants, and visitors to OPM facilities and to stop the spread of COVID-19. The plan was developed in accordance with Executive Order (EO) 13991 (86 FR 7045), Protecting the Federal Workforce and Requiring Mask-Wearing and supersedes the Returning to OPM Facilities Preparedness Guide, dated May 29, 2020.

FSEM plans to manage an inventory of Personal Protective Equipment for use by frontline employees, cleaning and disinfectant products, and disinfectant wipes/sanitizers. FSEM will monitor OPM facilities across the country, together with their state and local orders, and continue the daily reporting until the pandemic ends. FSEM will create graphics for display posters, signs, and other visual aids throughout the building.

In FY 2022, FSEM plans to develop and fully deploy two computer-aided facility management software modules that will increase the efficiency of space planning and assembly space reservations and provide an inventory of agency personal property. Contingent upon the OCIO system's ability to integrate with the computer-aided facility management system, FSEM will use information provided by OPM HR and OCIO to provide real-time data, assist with seating, explore a hoteling system, and track personal property inventory. Additionally, FSEM plans to upgrade resilience and energy efficiency of mission-essential functions at TRB to include resilience technologies that provide three days of backup power and electronically commutated motors that save \$50k-\$60k in annual energy costs, ensuring continuous operation of OPM mission critical functions.

OCIO - By the end of FY 2021, OCIO will begin the implementation of its enterprise digital modernization strategy, supported by a Digital Services Team and contracting vehicles to support these efforts. Working with the Office of Communications and all of the program offices across OPM, OCIO will execute on an accessible customer-first website, a single OPM.gov "front door" organized around customers' needs rather than the agency's program-centric organizational structure. The intention is to create a site that is mobile-friendly, accessible and inclusive, focuses on the omni-channel customer experience, and utilizes decision support tools, data-driven services, and application programming interfaces (API). OCIO expects to implement this using modern, user-centered design principles and research, atop a modern agile development framework and cloud-based infrastructure.

In order to successfully implement its modernization vision, OCIO will reduce its dependence on mainframes for data storage and processing by establishing a modern data platform that is flexible, affordable, and allows iterative application modernization of the estimated 400 applications on mainframe today. OCIO will also focus on the creation of its API services layer to ensure the modernized applications are interoperable and OPM's strategic data assets are readily available. The intention is to expose key data assets along the federal employee/annuitant lifecycle to build a cohesive set of IT services versus siloed systems.

Further, OCIO will have all OPM employees on a four-year laptop refresh cycle. OCIO will continue to migrate legacy back-office tools and systems to cloud workflow solutions for increased productivity and efficiency for OPM business operations, while continuing to upgrade its security posture.

By the end of FY 2021, OCIO will pursue funding through requests to the Government-wide Technology Modernization Fund to improve the "look and feel" of the OPM.gov website, expand the availability of modern tools to OPM's varied customers, consider the creation of an employee digital record for all Federal employees, and continue modernization efforts OPM wide.



In FY 2022, OCIO will continue implementation of its enterprise digital modernization strategy, building out the customer-centric OPM.gov website to encompass more information about programs and services, continuing to leverage data and application programming interfaces to create new products, and enabling third parties to create value for their own customers.

**Implementation Organizations:**

OCFO, OCIO, OPO, OPM HR, and FSEM

**Performance Measures**

Performance Measure	FY 2018 Result	FY 2019 Result	FY 2020 Result	FY 2021 Target	FY 2022 Target
Average satisfaction score for financial management quality from OPM senior supervisory employees	4.88	5.01	5.0	5.1	≥Government-wide Average
Average satisfaction score for human capital services quality from OPM senior supervisory employees	4.67	4.83	4.74	≥ Government-wide Average	≥Government-wide Average
Average satisfaction score for information technology services quality from OPM senior supervisory employees	4.44	4.65	4.97	5.0	≥Government-wide Average
Average satisfaction score for contracting services quality from OPM senior supervisory employees	3.94	4.64	4.43	4.9	≥Government-wide Average
Percent of OPM employees satisfied with real property services at OPM's largest nine buildings	53.4%	60.9%	No Survey	52%	≥Government-wide Average

**Performance Budget Request by Objective, Organization and Fund—All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Optimize Agency Performance</b>				
<b>4.3-Exceed the Government-wide average satisfaction score for each agency mission support service</b>			<b>\$41,919,694</b>	<b>97.4</b>
<b>4.3</b>				
	<b>Facilities, Security &amp; Emergency Management</b>	Common Services	\$145,382	0.5
	<b>Office of Procurement Operations</b>	Salaries & Expenses	\$20,486	0.0
	<b>Office of the Chief Financial Officer</b>	Salaries & Expenses	\$780,000	0.0
		IT Modernization S&E	\$8,842,000	5.4
		Trust Fund Annual	\$522,894	2.0
		Common Services	\$25,108,839	61.5
	<b>OPM Human Resources</b>	Common Services	\$6,500,093	28.0
<b>OPM Total</b>			<b>\$41,919,694</b>	<b>97.4</b>



## **Strategic Objective 4.4: Improve retirement services by reducing the average time to answer calls to 5 minutes or less and achieve an average case processing time of 60 days or less**

**Strategic Objective Owner:** Nicholas Ashenden, Deputy Associate Director, RS

**Deputy Strategic Objective Owner:** Robert Lorish, Deputy Assistant Director, RS; Guy Cavallo, Acting Chief Information Officer, OCIO

### **FY 2021 and FY 2022 Next Steps and Anticipated Accomplishments:**

RS will continue to integrate process improvements for enhancing customer service and improving overall timeliness of survivor and claims processing. RS will utilize user experience research, conducted in the first half of FY 2021, along with its existing survey data to improve the customer experience. Further, RS will identify additional customer feedback data collection points that would be closer to the time of transaction and available to managers more frequently. RS will also enhance reporting tools to monitor and forecast workloads. RS will continue to develop and update standard operating procedures across retirement operations based on newly implemented process improvements. RS will also effectively use overtime to achieve performance targets. RS will continue to cross-train Retirement Information Office personnel to increase the number of customer requests resolved during the first call.

RS will also work with OCIO to investigate technological capabilities to continue to improve processing time and reduce wait times. RS will develop the core automated features of a Case Management System Minimally Viable Product, modernize the current Federal Annuity Claims Expert System annuity calculator to a business rules management system, and enhance the self-service portal on Services On-Line. Also, RS will procure an outside vendor for document imaging, which will improve efficiency and modernization efforts.

Additionally, RS will continue to focus on the contact center improvements to: maximize the call center's ability to receive customer concerns and inquiries; reduce demand on the contact center by providing callers self-help tools; increase performance of contact center agents; and design and implement the future contact center tech stack (for example, chat with an artificial intelligent agent, cloud-based telephony routing, and Interactive Voice Response self-service).

Through continued improvements in timeliness and customer service, RS expects to receive fewer congressional inquiries. RS will continue to provide Federal retirement policy technical assistance to all OPM offices and the Congress. RS will also perform on-going audits of agency retirement application submissions, provide monthly feedback to agencies and payroll offices, and alert agencies of any trends and improvement opportunities. Further, RS will identify training needs for agencies, develop job aids and on-line training modules, and conduct workshops on the retirement application process.

**Implementation Organizations:**

RS and OCIO

**Performance Measures**

Performance Measure	FY 2018 Result	FY 2019 Result	FY 2020 Result	FY 2021 Target	FY 2022 Target
Average number of minutes to answer phone calls	8.60	8.4	6.3	5	5
Average number of days to process retirement cases	58.6	55.4	68.5	60	60

**Performance Budget Request by Objective, Organization and Fund--All Resources**

Strategic Objectives	Organization	Fund	Dollars	FTE
<b>Optimize Agency Performance</b>				
<b>4.4-Improve retirement services by reducing the average time to answer calls to 5 minutes or less and achieve an average case processing time of 60 days or less</b>			<b>\$130,767,539</b>	<b>982.0</b>
<b>4.4</b>	<b>Office of the Chief Information Officer</b>	Trust Fund Annual	\$11,049,608	24.6
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$2,687,220	1.4
	<b>Retirement Services</b>	Trust Fund Annual	\$61,773,691	510.0
		5 U.S.C. § 8348 (a)(1)(B) - Retirement	\$53,968,728	436.0
		FERCCA (P.L. 106-265) - Retirement	\$1,288,292	10.0
<b>OPM Total</b>			<b>\$130,767,539</b>	<b>982.0</b>

# Earned Benefits Trust Funds

The Office of Personnel Management (OPM) administers the following Earned Benefits Trust Funds:

- FEHB – Federal Employees Health Benefits Fund;
- FEGLI – Federal Employees’ Life Insurance Fund;
- CSRDF – Civil Service Retirement and Disability Fund; and
- PSRHB – Postal Service Retiree Health Benefits Fund.

OPM also manages the risk reserve account for the Federal flexible spending account program (FSAFEDS). These trust funds are among the largest held by the United States Government. For FY 2022, the net assets combined are estimated to total approximately \$1.1 trillion, receipts are estimated to total \$182 billion, and outlays are estimated to total \$163 billion. These trust funds will finance the retirement program for approximately 2.8 million Federal civilian employees, and provide retirement benefits for more than 2.8 million retirees and survivors, finance the health insurance for approximately 8.1 million employees, retirees, and their family members, and provide life insurance coverage for an estimated 4.2 million employees and retirees.

## FY 2022 All Earned Benefits Funds (millions)

	CSRDF	FEHB/REHB	FEGLI	PSRHF	FSAFEDS	TOTAL
FY 2022 Estimated Start of Year Fund Balance	\$982,891	\$27,924	\$49,092	\$38,870	\$69	\$1,098,846
FY 2022 Estimated Receipts	\$116,224	\$60,438	\$4,565	\$935	\$22	\$182,184
FY 2022 Estimated Outlays	\$96,638	\$59,069	\$3,453	\$4,243	\$20	\$163,423
FY 2022 Estimated End of Year Fund Balance	\$1,002,477	\$29,331	\$50,204	\$35,562	\$71	\$1,117,645
FY 2022 Estimated Participants:						
Actives (Millions)	2,484	2,536	2,535			
Annuitants (Millions)	2,803	2,010	1,723			

## Trust Fund Financing

A key component of OPM’s mission is to administer retirement, health benefits, long-term care insurance, life insurance, dental and vision benefits, and flexible spending accounts for Federal employees, retirees, and their beneficiaries and to maintain the integrity of these programs. The table below highlights the estimated receipts and outlays for the Federal health benefit fund.

**Employee Health Benefits Fund & Retired Employees Health Benefits Fund  
(millions)**

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Start of Year Balance	\$24,895	\$26,272	\$27,924	\$1,652
Receipts from the Public	\$17,116	\$17,820	\$18,561	\$741
Receipts from Federal Sources	\$39,171	\$39,810	\$41,568	\$1,758
Interest Earnings	\$395	\$433	\$309	(\$124)
Change in Uncollected Customer Payments	\$0	\$0	\$0	\$0
Total Program Outlays	\$56,050	\$56,509	\$59,069	\$2,560
<b>End of Year Balance</b>	<b>\$26,272</b>	<b>\$27,924</b>	<b>\$29,331</b>	<b>\$1,467</b>

**Employees Health Benefits Fund**

The Employees Health Benefits (FEHB) Fund is a revolving Trust Fund created by the Federal Employees Health Benefits Act of 1959. It finances the largest employer-sponsored group health insurance program in the world. The fund exists to collect and disburse health insurance premiums to private insurers who participate in the FEHB Program and to maintain program reserves. Federal employees can choose from among Fee-for-Service (FFS) plans, Health Maintenance Organizations (HMO) plans, Consumer Driven Health plans, and High Deductible plans. The number and type of plans available vary by region or locality.

**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;
- employees of Indian tribes or tribal organizations carrying out programs under the Indian Self-Determination and Education Assistance Act or the Tribally Controlled Schools Act of 1988 and urban Indian organizations carrying out programs under Title V of the Indian Health Care Improvement Act; and
- eligible family members.

It also provides for OPM expenses to administer the program.

**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 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 its enrolled population is dwindling. The projected population is approximately 73 for FY 2021 and approximately 60 for FY 2022.

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 their 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 that is 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.

### Employees Life Insurance Fund (millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021- 2022 Variance
Start of Year Balance	\$46,851	\$47,812	\$49,092	\$1,280
Receipts from the Public	\$3,113	\$3,277	\$3,375	\$98
Receipts from Federal Sources	\$611	\$630	\$630	\$0
Interest Earnings	\$560	\$725	\$560	(\$165)
Change in Uncollected Customer Payments	\$0	\$0	\$0	\$0
Total Program Outlays	\$3,323	\$3,352	\$3,453	\$101
<b>End of Year Balance</b>	<b>\$47,812</b>	<b>\$49,092</b>	<b>\$50,204</b>	<b>\$1,112</b>

The FEGLI fund finances payments for Employees' Life Insurance. FEGLI was established by the passage of the Federal Employees' Group Life Insurance Act of 1954 (P.L. 83-598), on August 17, 1954. FEGLI is group term life insurance, meaning it does not build cash values or paid-up insurance values. The cost of Basic Insurance coverage is shared by Non-Postal employees (2/3), and the Federal Government (1/3). Optional and certain post-retirement basic coverage are paid entirely by enrollees.

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 accidental death and dismemberment benefit. It is the largest group life insurance program in the world, covering more than four million Federal employees and retirees, and many of their family members. The above table highlights the estimated receipts and outlays for the Federal life insurance fund.

### Civil Service Retirement and Disability Fund (millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Start of Year Balance	\$939,688	\$962,181	\$982,891	\$20,710
Receipts from the Public	\$5,145	\$5,707	\$6,083	\$376
Receipts from Federal Sources	\$83,301	\$86,553	\$90,431	\$3,878
Interest Earnings	\$25,087	\$21,838	\$19,710	(\$2,128)
Total Program Outlays	\$91,040	\$93,388	\$96,638	\$3,250
<b>End of Year Balance</b>	<b>\$962,181</b>	<b>\$982,891</b>	<b>\$1,002,477</b>	<b>\$19,586</b>

The Civil Service Retirement and Disability Fund (CSRDF) is the oldest and largest of the four trust funds administered by 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 forecasted in advance and must be determined at some future point in time (for example, when actual receipts and expenses become known). The above table highlights the estimated receipts and outlays for the Federal retirement and disability fund.

The CSRDF finances 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 largely a defined benefit plan, covering Federal employees hired prior to 1984. Some CSRS employees (CSRS-Offset) participate in the Social Security system. FERS is one element of 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. For FY 2022, it is estimated that employees will contribute approximately \$6.1 billion to finance FERS and CSRS retirement benefits. Those contributions will come in the form of salary withholdings of 0.8 percent for most employees under FERS-Regular, 3.1 and 4.4 percent for FERS-REG and FERS-FRAE employees, and 7 percent for those enrolled in CSRS.

CSRS has been financed under a statutory funding method passed by the 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 five percent interest rate. Under CSRS, regular employees contribute seven percent of pay. Law enforcement officers, firefighters, and congressional employees contribute an extra half percent of pay, and members of the Congress an extra one percent of pay. Under the static funding method for CSRS, the Treasury also 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 normal 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 rate. The normal cost rate 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 of 0.8 percent that, combined with the 6.2 percent tax rate under the Old Age, Survivors and Disability Insurance portion of Social Security, is equal to the contribution rate for CSRS employees – 7.0 percent. Greater employee contribution rates apply for FERS Revised Annuity Employees (FERS-RAE), and FERS Further Revised Annuity Employees (FERS-FRAE).

Effective FY 2021, there was a change in the normal cost rates for Postal FERS Employer Contributions and Non-Postal FERS Employer Contributions. The changes are due to revisions to economic and demographic assumptions recommended at the April 12<sup>th</sup>, 2018, meeting of the CSRS Board of Actuaries.

Under FERS, the dynamic normal cost rates for FY 2021 are as follows: Regular FERS Non-Postal employees hired before 2013, the rate is 18.1 percent of pay (employee's share, 0.8 percent, and employer's share, 17.3 percent). Regular FERS Postal employees rate is 16.5 percent of pay (employee's share, 0.8 percent, and employer's share, 15.7 percent); Regular FERS Non-Postal employees hired during 2013 (known as FERS RAE/Revised Annuity Employees), the rate is 18.6 percent of pay (employee's share, 3.1 percent, and employer's share, 15.5 percent); Regular FERS RAE Postal employees rate is 16.9 percent of pay (employee's share, 3.1 percent, and employer's share, 13.8 percent); the Bipartisan Budget Act of 2013 included a provision to increase the rate of employee's contribution to FERS for individuals hired after 2013 and to maintain the employer's contribution rate at the rate applicable for FERS-RAE. Any contributions in excess of the amount necessary to satisfy FERS normal cost percentage will be credited to the assets of the CSRDF, thereby reducing the unfunded liability of the CSRS. Regular FERS Non-Postal employees hired after 2013 (known as FERS FRAE/Further Revised Annuity Employees), the rate is 18.8 percent of pay (employee's share, 4.4 percent, employer's share, 15.5 percent, and less excess of 1.1 percent to be credited the assets of the CSRDF); Regular FERS FRAE Postal employees rate is 17.1 percent of pay (employee's share, 4.4 percent, and employer's share, 12.7 percent).

An extra 0.5 percent of pay is contributed by law enforcement officers, firefighters, air traffic controllers, congressional employees, and members of the Congress because of earlier retirement eligibility provisions.

Effective FY 2022, the normal cost rates are expected to change again for Postal FERS Employer Contributions and Non-Postal FERS Employer Contributions. The changes are due to revisions to economic and demographic assumptions recommended at the April 2020, meeting of the CSRS Board of Actuaries. Regular FERS Non-Postal employees (other than RAE and FRAE), the normal cost rate will be 19.2 percent of pay (employee's share, 0.8 percent, and employer's share, 18.4 percent); Regular FERS Postal employees will be 17.0 percent of pay (employee's share, 0.8 percent, and employer's share, 16.2



percent); FERS-RAE Non-Postal employees, the normal cost rate will be 19.7 percent of pay (employee's share, 3.1 percent, and employer's share, 16.6 percent); FERS-RAE Postal employees will be 17.5 percent of pay (employee's share, 3.1 percent, and employer's share, 14.4 percent); FERS-FRAE Non-Postal employees, the normal cost rate will be 19.9 percent of pay (employee's share, 4.4 percent, employer's share, 16.6 percent, and less excess of 1.1 percent to be credited back to the assets of the CSRDF); FERS-FRAE Postal employees will be 17.8 percent of pay (employee's share, 4.4 percent, and employer's share, 13.4 percent).

### Postal Service Retiree Health Benefits Fund (millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Start of Year Balance	\$44,611	\$41,868	\$38,870	(\$2,998)
Receipts from the Public (Postal Service)	\$0	\$0	\$0	\$0
Receipts from Federal Sources	\$0	\$0	\$0	\$0
Interest Earnings	\$1,151	\$1,043	\$935	(\$108)
Total Program Outlays	\$3,894	\$4,041	\$4,243	\$202
<b>End of Year Balance</b>	<b>\$41,868</b>	<b>\$38,870</b>	<b>\$35,562</b>	<b>(\$3,308)</b>

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 table highlights the estimated receipts and outlays for the Postal retiree health benefit fund.

Effective FY 2017, as provided under the current law, the Postal Service stopped paying annual premium costs for its current annuitants and these premium payments are paid directly from the Postal Service Retiree Health Benefits Fund. Payments for a proportion of the premium costs of Postal Service annuitants' pre-1971 service continues to be paid by the General Fund of the Treasury through the Government Payment for Annuitants, Employees Health Benefits account.



## Federal Flexible Spending Account Program (millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Start of Year Balance	\$65	\$67	\$69	\$2
Receipts from the Public	\$11	\$18	\$21	\$3
Receipts from Federal Sources	\$1	\$1	\$1	\$0
Program Obligations (Mandatory)	\$10	\$17	\$20	\$3
Agency Administrator Cost and Program	\$0	\$0	\$0	\$0
<b>End of Year Balance</b>	<b>\$67</b>	<b>\$69</b>	<b>\$71</b>	<b>\$2</b>

The Federal Flexible Spending Account Program (FSAFEDS) is a voluntary tax-advantaged benefit plan established under Section 125 of the Internal Revenue Code. These accounts allow Federal employees to pay for eligible out-of-pocket health care and dependent care expenses with 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 FSAFEDS:

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. In 2021, DCFSAs had a minimum annual election of \$100 and \$10,500 maximum (\$5,250 for married couples, filing separately). HCFSAs and LEX HCFSAs had a minimum annual election of \$100 and \$2,750 maximum. There are currently 477,936 unique participants in the FSAFEDS program with a little over 450,616 HCFSAs, 11,148 LEX HCFSAs, and 70,631 in 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 and from forfeitures of these FSAFEDS participants who have unclaimed balances. The agency fees are calculated based on the number of employees from each agency participating in the program. Resources are obligated to indemnify the FSAFEDS program administrator when claims against FSA accounts exceed resources contributed to the accounts from participating employees (early in the program year). Once account contributions exceed benefits, the FSAFEDS program administrator reimburses the reserve account. Account resources are also used for the agency's administration of the program. The above table highlights the estimated receipts and obligations for the FSAFEDS.

OPM's actuaries have determined that the current value of the risk reserve account is more than sufficient to indemnify the program administrator. Since FY 2013, OPM has used risk reserves to offset agency fees paid to the program administrator in order to reduce the surplus balance and meet its target account level.

## 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 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Budget Authority	\$13,186	\$13,312	\$13,969	\$657
Obligations	\$13,186	\$13,312	\$13,969	\$657
Outlays	\$13,140	\$13,312	\$13,969	\$657

This appropriation funds the Government’s share of health benefit 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.

For FY 2022, budget authority and obligations will increase by \$657 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 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 20201- 2022 Variance
Budget Authority	\$42	\$42	\$43	\$1
Obligations	\$42	\$42	\$43	\$1
Outlays	\$42	\$42	\$43	\$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 retired 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 2022, budget authority and obligations will increase \$1.0 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 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Budget Authority	\$45,837	\$45,840	\$46,040	\$200
Obligations	\$45,837	\$45,840	\$46,040	\$200
Outlays	\$45,837	\$45,840	\$46,040	\$200

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.

### Detail of Payment Account (millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2021 - 2022 Variance
Current Appropriation	\$18,788	\$18,400	\$18,100	(\$300)
Permanent Indefinite Authorization	\$27,009	\$27,400	\$27,900	\$500
Payment for Spouse Equity	\$40	\$40	\$40	\$0
<b>Total</b>	<b>\$45,837</b>	<b>\$45,840</b>	<b>\$46,040</b>	<b>\$200</b>

### 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 five percent interest on the Civil Service Retirement System's current static unfunded liability, which is 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 2022, the Permanent Indefinite Authorization will increase \$500 million due to an increase in the amount of interest to be transferred from the 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.

# Revolving Fund Activities

Pursuant to Title 5, U.S.C. §1304 (e) (1), OPM is authorized to use Revolving Funds without fiscal year limitations to conduct background investigations, training, and other personnel management services that OPM is authorized or required to perform on a reimbursable basis. Under this guidance, OPM operates several programs, which are funded by fees or reimbursement payments collected from other agencies and other payments.

The following programs are authorized to use Revolving Funds:

- Suitability Executive Agent
- Human Resources Solutions
- Enterprise Human Resources Integration
- Human Resources Line of Business
- Human Resources Solutions Information Technology Program Management Office
- Credit Monitoring and Identity Protection Services

The following table discusses the business lines followed by a detailed description of the activities supported by OPM's Revolving Fund, which is aligned with OPM's statutory authority.

OPM Budget Authority	FY 2022 CBJ
Suitability Executive Agent	\$9,752,551
Human Resources Solutions	\$331,579,849
Enterprise Human Resources Integration	\$39,095,828
HR Line of Business	\$3,150,000
Human Resources Solutions Information Technology Program Management Office	\$80,208,760
Credit Monitoring	\$85,831,793
<b>OPM Total</b>	<b>\$549,618,781</b>

## Suitability Executive Agent

Pursuant to Executive Order 13467, as amended, the OPM Director is the Suitability & Credentialing Executive Agent, with specific Government-wide responsibilities. Suitability Executive Agent Programs (SuitEA) was established as a distinct program office within OPM in December 2016 to strengthen the effectiveness of suitability and credentialing vetting across the Government by providing a focal point within OPM for leadership, process improvement, and modernization while continuing to perform adjudicative operations benefitting federal agencies.

SuitEA carries out its responsibilities through a policy office responsible for business transformation and modernization of the Government-wide suitability and credentialing program, supported by an adjudicative operations staff that takes Government-wide actions to promote the efficiency and protect the integrity of Federal agencies' operations, and an oversight team that conducts assessments of Federal agencies' performance and makes recommendations for improvement.

SuitEA is financed through the OPM revolving fund, and as such acts as a fee-for-service program. The intent is to operate on a break-even basis and keep costs down while providing the highest level of service possible. Resources collected for this program include those used for SuitEA's adjudicative operations staff who review investigations submitted by federal agencies. They identify those cases potentially warranting an action by OPM and gather evidence needed to take an action and defend it in the event of an appeal to the Merit Systems Protection Board. When an applicant or appointee seeking employment with a Federal agency has committed falsification or fraud in the hiring process or has committed pre-employment conduct that is incompatible with the integrity or efficiency of the service, SuitEA may take a Government-wide action to debar the individual from holding any covered position throughout Government for up to three years. Covered positions are those in the competitive service, the excepted service that can non-competitively convert to the competitive service, or a career appointment to the Senior Executive Service. This action promotes the efficiency and integrity of the agency with whom the individuals sought employment as well as all other agencies employing competitive service employees as it prevents or removes an unsuitable individual from placement in a position. SuitEA conducts supplemental inquiries needed for issue resolution and must gather evidence that meets the requirements established through precedential case law. If the case does not warrant OPM adjudication after issue resolution, SuitEA will send the additional information obtained to the agency for adjudication if appropriate. There is a regulatory time limitation for taking most suitability actions which makes it imperative that the cases are identified quickly upon completion.

Similarly, SuitEA reviews background investigations for positions under OPM's jurisdiction that involve major issues to include material intentional falsification or fraud or deception in examination of appointment. This may include the applicant or appointee who has committed a serious criminal offense or who has altered or submitted altered documents, misrepresented a college degree through the purchase of the degree through a bogus educational institution, and/or lied about a material fact on application paperwork. Upon receipt, SuitEA staff will review the case; conduct issue resolution; issue written notification about the issues of concern to the subject of the investigation; process subject requests for the materials relied upon; take suitability actions which may include canceling eligibilities or reinstatement rights, imposing debarment from Federal employment; and/or directing removal; and support the Office of General Counsel when OPM suitability actions are appealed.

Resources also go towards government-wide suitability training programs that SuitEA developed and offers for suitability and fitness adjudicators. These classes are compliant with the National Training Standards for Suitability Adjudicators. Delivery of this training to federal agencies' adjudicators promotes uniform decision making across Government, professional development of the suitability and fitness workforce, and reciprocal recognition of favorable determinations. Starting in FY 2021, SuitEA will incorporate change management strategies in updating the training approach to support the Trusted Workforce 2.0 vetting program transformation, including taking steps to develop training for credentialing adjudicators. In FY 2020, SuitEA expanded training offerings by including the use of virtual delivery. SuitEA also offers virtual refresher training sessions to stakeholders. These periodic sessions offer retraining on key aspects of delegated functions and aim to keep practitioners' knowledge up to date. Beginning in FY 2021 attendees of the SuitEA-offered Fundamentals of Suitability for

Suitability and Fitness Adjudicators and Suitability Action Procedures for Suitability Adjudicators course are no longer be charged a per student fee. Instead, training related costs are built into the SuitEA budget. Each year an analysis will be conducted to determine increases or decreases in training demand, and the budget allocations will adjust accordingly.

SuitEA advances government-wide innovation and reform of personnel vetting processes. SuitEA directly contributes to Goal 1 of the FY18 -FY22 OPM Strategic Plan, “Transform hiring pay and benefits across the Federal government to attract and retain the best civilian workforce,” specifically to Strategic Objective 1.1, “Drive improvements to the hiring process so agencies are able to hire the best candidate in a timely manner.” Working with the Performance Accountability Council (PAC), SuitEA plans to develop aligned and consistent policy for reporting potential security risks or observable behaviors of concern; establish an agile, data-driven, and transparent policy-making process that simplifies traditional policy development processes, as appropriate; review current end-to-end security, suitability, and credentialing (SSC) processes and identify the most cost-effective and efficient methods to vet the Federal workforce; modernize the lifecycle through the use of agency federated systems and shared services; and expand the use of outcome-based performance metrics and measures.

SuitEA operates a suitability helpline and suitability and credentialing email boxes to provide customer support on technical and interpretative matters related to suitability, fitness, and credentialing. SuitEA also maintains a distribution list of agency contacts for regular two-way communication to support Federal agency suitability, fitness, and credentialing programs. SuitEA provides this network of contacts a quarterly newsletter covering current events and other matters of the interest to the Suitability/Fitness and Credentialing community. SuitEA acts on behalf of agencies by providing requirements for the systems used to support position designation, adjudication, and reciprocity management for federal employees and contractors.

In FY 2020, SuitEA led finalization of the roadmap for a transformed Government-wide approach to suitability, fitness, credentialing, and security vetting developed with the Office of the Director of National Intelligence (ODNI) and the Performance Accountability Council as part of the Trusted Workforce 2.0 initiative. The roadmap addresses development of transformational outcome-based investigative and adjudicative standards, revised training standards, and requirements for the new supporting IT Enterprise architecture. OPM and ODNI jointly issued guidance to agencies directing additional measures developed to facilitate improved risk mitigation and introduce important Trusted Workforce 2.0 reform concepts that will drive early adoption of the improved process. The guidance enables agencies to begin the transition away from traditional periodic reinvestigations by providing standards for a continuous vetting model designed to assist agencies to better mitigate security and safety risks.

Further policy development and phased implementation of the roadmap will continue in FY 2021. The “Federal Personnel Vetting Core Doctrine,” developed and issued in the Federal Register by SuitEA and ODNI, became effective in February, 2021. SuitEA will propose amendments to regulations for notice and comment regarding changes to vetting processes in support of the new approach to vetting called for in the doctrine, Executive Order 13764, which amended the Civil Service Rules giving the OPM Director



expanded authority over certain aspects of vetting for excepted service positions, and EOs 13467 and EO 13488, as amended. Furthermore, SuitEA will work to implement additional streamlined vetting-related processes resulting from the Trusted Workforce 2.0 effort, through guidance and training. Additionally, SuitEA will identify and propose changes to information collections to support Trusted Workforce policy and process changes.

In FY 2021, SuitEA issued and implemented updated credentialing standards procedures for issuing personal identity verification (PIV) credentials under Homeland Security Presidential Directive-12 and new requirements for suspension or revocation of eligibility for PIV credentials. The procedures in this guidance standardized appeals procedures for PIV denials, clarified the applicability of PIV determinations to short-term population, and introduced the concept of suspension / revocation of PIV eligibility.

In FY 2021 SuitEA will strive to continue improving the quality of delegated suitability adjudications government-wide by issuance of guidance that promotes greater consistency in how adjudicators apply suitability criteria when addressing conduct associated with emerging societal trends or conditions. In February 2021, SuitEA issued supplemental guidance for assessing suitability of applicants based upon prior marijuana usage and a reminder on drug free workplace policies. SuitEA will also continue to be proactive and agile in issuing government-wide guidance to assist in unprecedented situations. In FY 2020, at the onset of the COVID-19 pandemic, SuitEA issued temporary vetting measures to enable agencies to continue to onboard new personnel by delaying fingerprints submissions, in coordination with complementary guidance from the Federal OCIO. SuitEA will continue to monitor the impact of COVID-19 safety measures on personnel vetting requirements and issue guidance to assist agencies as necessary.

In FY 2022, SuitEA will work to implement government-wide guidance and training for regulatory changes arising from changes to vetting policy that occurred through rulemaking in FY 2021. In FY 2021 and FY 2022, as the Department of Defense's updated background investigation system is being built, SuitEA will continue to contribute requirements to meet the needs of security, suitability, and credentialing (SSC) programs and promote accessibility to shared service offerings. This includes continuing to work with ES and HRS to identify ways to integrate and improve the flow of HR and vetting related data in a manner that will improve efficiencies for agencies in hiring and personnel vetting.

### **Human Resource Solutions**

Human Resources Solutions (HRS) provides customized human capital and training products and services to support Federal agencies in meeting their mission objectives. We use our internal human capital experts, our private sector strategic partners, or a combination of both, to help agencies meet their human capital management requirements.

### **Center for Leadership Development (CLD) (Strategy Objective 3.1 and Additional Mission Activities):**

The Center for Leadership Development consists of a number of units: Leadership Development, the Federal Human Resources Institute, the Presidential Management Fellows program, the Lab@OPM,



Performance and Process Improvement, and USALearning® (USAL). CLD's Leadership Development and Professional Development programs offer open-enrollment (interagency) and custom (single-agency) leadership and professional development programs through resident delivery, virtual program delivery, and blended-learning approaches. During the current pandemic environment all programs are only offered in virtual format until other modalities can be safely resumed. This has had an adverse impact on Sales and Revenue projections due to the preference of some agencies and participants to delay until they can attend in-person programs. Additionally, without in-residence programs at the Federal Executive Institute (FEI), it is difficult to cover fixed costs required to maintain the campus because CLD needs to continue to cover the cost of the FEI property but cannot pass along those costs to program participants.

The CLD programs and courses are designed to provide leadership or professional development to government employees at various stages of their Federal careers and provide agencies flexibility and capacity to offer a complete range of leadership and professional development. CLD leadership and professional development solutions consist of open enrollment cohort and custom single agency programs delivered at CLD facilities, on location at client agency sites, or virtually.

Our open enrollment cohort programs include the premier Leadership for a Democratic Society (LDS) program, SES Leading EDGE program, and LEAD Institute, which target role-based leadership competencies. CLD also offers the International Leadership Development (ILD) program to provide leadership development of government workers in Allied Nations. Finally, our open enrollment professional development courses from our course catalog are annually scheduled and offered to individuals throughout government.

CLD's custom, single agency solutions provide design, development, and delivery of programs and courses to address unique agency needs. CLD maintains several long-standing custom agency leadership programs, including those for the U.S. Agency for International Development (20+ years), the National Oceanic and Atmospheric Administration (15+ years), the National Security Agency (10 years), the Food and Drug Administration Emerging Leader Program (5 years), and the Air Force (3 years). CLD partners regularly with other OPM entities and agencies to provide blended services.

USALearning (USAL) has been in operation since 2004. OMB sanctioned USAL to operate centrally as a Shared Service Center to provide e-Learning products and services to all of government to achieve the known economies of scale from that centralization. Each USAL customer establishes an interagency Agreement (IAA) with USAL to form the basis of an assisted acquisition relationship so that USAL, using their domain expertise, can procure e-Learning products and services on behalf of the requesting agency under the auspices of OPM's Revolving Fund and training authorities.

These products and services include but are not limited to the following, customized online forums such as Communities of Practice (CoP) and social media integration, executive coaching, online course libraries, custom course development, FedRAMP authorized hosting and helpdesk support, technical support services, online assessments, virtual conferencing, ADA/508 Testing, various online technical support tools and enterprise-wide learning eco-systems. In addition, USAL supports the design, development and delivery of ethics and other mandatory courses used government-wide. The Presidential Management Fellows (PMF) online assessments, Delegated Examining, DHS cybersecurity courses, and

other domain specific specialized curriculum are available via USAL. USAL provides these products and services via a Software-as-a-Service (SaaS) delivery model to 24 Cabinet-level agencies and over 50 small agencies and multiple components within the Department of Defense.

Bearing the Presidential moniker, the PMF program is a flagship leadership development program at the entry-level for advanced degree candidates. The PMF program was established by Executive Order in 1977 to attract to the Federal service outstanding men and women from a variety of academic disciplines and career paths, who have a clear interest in and commitment to excellence in the leadership and management of public policies and programs. Through an expedited process, agencies can initially hire PMFs across all academic disciplines at the GS-9/11/12 (or equivalent) for a two-year fellowship that, if performance is satisfactory, ultimately leads to the possibility of conversion to a career appointment and a rewarding career in civil service.

The Lab@OPM helps agencies translate their employee's creativity into innovative problem-solving solutions, builds individual human-centered design capabilities, and works with U.S. Government agencies or foreign governments. The processes learned help Federal workers solve persistent problems and results in new people-focused solutions tailor-made to suit the needs of those affected.

The Process & Performance Improvement Program (PIIP) helps drive effectiveness and shape the future of government. Certification with HRS' PPIP helps Federal employees increase efficiency and effectiveness in organizational processes. The participants are taught to use tools and techniques to collect qualitative and quantitative data, do analysis, and then use that data to drive decisions to address organizational root causes. PPIP also offers agency-specific and project-based learning solutions to execute improvements while building internal capacity.

The Federal HR Institute (FHRI) provides open enrollment human resource skills courses for the professional development of the Federal HR community. FHRI establishes a single, standard learning framework that Federal HR practitioners are expected to use for professional development. It is the only comprehensive Federal HR development program of its kind. FHRI is developing courseware across all major HR functions – staffing & classification, employee relations/labor relations, performance, benefits, compensation, HR development, HR systems, and HR business partnerships.

Broadly, CLD's pricing structure covers all applicable direct expenses, indirect CLD costs, and OPM overhead, while maintaining competitive prices. Before the beginning of each fiscal year, CLD analyzes the planned delivery schedule for the year, based on past and projected customer needs, and uses prescribed costing tools to determine tuitions for all deliverables. PPIP pricing to agencies has been static for over 10 years but due to gradually increasing costs, our analysis has led to the decision to increase it by 14% beginning in FY22. For the same reasons, the fee for a PMF will increase from \$7,000 to \$8,000 in FY22. USAL's pricing model includes the services requested plus a 10 to 15 percent overhead for administrative and indirect costs.

**Federal Staffing Center (FSC) (Strategy Objective 1.1, 2.2, and Additional Mission Activities):**

HRS Federal Staffing Center (FSC) partners with agencies to hire the best talent to meet their missions by providing the full range of talent acquisition products and services for the Acquire stage of the HR lifecycle, including: USAJOBS®, USA Staffing®, and USA Hire<sup>SM</sup>, talent acquisition solutions; recruitment and branding services; examining services; strategic staffing services; onboarding support; and technical training delivery. FSC will also focus on supporting the Executive Order on Modernizing and Reforming the Assessment and Hiring of Federal Job Candidates.

As a government-to-government solutions provider, FSC provides products and services to support Federal agencies' hiring processes. Agencies use OPM's talent acquisition solution, which includes USAJOBS®, USA Staffing®, and USA Hire<sup>SM</sup>, to connect citizens to Federal job opportunities and hire the best talent to meet the missions critical hiring requirements.

FSC comprises a nationwide network of HR professionals, business analysts, project managers, IT professionals, and data analysts who deliver talent acquisition solutions across four main programs:

USAJOBS, the Federal Government's official employment site, connects applicants with Federal employment opportunities across the United States and around the world. USAJOBS offers applicants a central, online repository for finding job opportunities across government and enables agencies to identify and conduct strategic recruitment activities (including resume mining) via its Agency Talent Portal. USAJOBS also provides the Open Opportunities capability, which facilitates the movement of current Federal employees throughout government to close skill gaps through detail opportunities.

USA Staffing, the Federal Government's Talent Acquisition System, facilitates the complex Federal hiring process and policies by positioning agencies to recruit, assess, certify, select, and onboard quality candidates for Federal job opportunities. It is uniquely designed to support large Federal agencies and handles the full range of hiring flexibilities and requirements along with high applicant volumes. USA Staffing allows agencies to develop and post job opportunity announcements via USAJOBS, create competency-based assessment tools and position descriptions, review application documents online, rate and rank applications, send applicant notifications, electronically refer candidates to hiring officials for review and selection, audit certificates online, create an online recruitment case file with annotations, select and onboard new hires, and perform advanced analytics on all aspects for the hiring process. Customer agencies have unlimited use of USA Staffing for announcement postings, assessment development, classification, applicant review, referral, selection, onboarding (including eOPF transmittal), and reporting. It includes online training modules, online integrated help functionality, help desk support, robust reporting, and data interconnections.

USA Hire is USA Staffing's online assessment platform, delivering high quality, professionally developed assessments via enabling technologies in both proctored and un-proctored environments to aid in the agency decision-making process. USA Hire assessments are easy to implement and applicant friendly. Standard assessments are available "off-the-shelf" and ready to go for 118 common job series. Agencies can also use USA Hire to automate existing assessment content or to develop new online assessments.

Staff Acquisition provides agencies with expert examining, high-level strategic staffing, onboarding, recruitment, and branding, HR technical training, coaching and consulting, and complete talent acquisition solutions designed to attract, assess, and build a high-quality Federal workforce and meet the diverse hiring needs of the Federal Government.

**FSC Fee structures:**

FSC uses two main fee structures: user fees and fixed rate. User fees are paid annually, based on the number of licensed HR users in their organization. Agencies can increase or decrease their number of licenses in proportion to their annual hiring trends. FSC offers volume discounts as the number of system users increases. The fixed price rates are based on actual trends over time and the cost to provide services, including consulting.

The USAJOBS pricing model is typically based on the number of FTE's in an organization and has a minimum \$5,000 fee. However, for agencies using USAJOBS on a limited basis FSC offers an option with a flat \$500 fee.

- Fee structure one: Five (5) or less job postings per year includes a \$500 annual fee. Agencies can access USAJOBS to post job opportunities only. (No other capabilities are available.)
- Fee structure two: Six (6) or more job postings per year starts at \$5,000 per year. This pricing includes use of USAJOBS for unlimited job postings, access to resume mining, and posting events (e.g., recruitment events). Additionally, agencies' job postings are shared through a Job Announcement API with third party vendors such as Indeed.com, Google Careers, and more.

The USA Staffing pricing model is all-inclusive and based on the number of customer agency personnel creating and editing information in USA Staffing. Agencies can increase or decrease their number of licenses in proportion to their annual hiring trends. This gives agencies flexibility in aligning their annual USA Staffing cost with their anticipated system usage. The USA Staffing base user license price for FY 2021 is \$8,778, a zero percent (0%) increase in the per user access fee over FY 2019. With new customers selecting USA Staffing, FSC achieves greater economies of scale and spreads fixed expenses across a larger customer base.

USA Hire uses a few fee structures based on the type of assessment: 1) a fee based on a percentage of the USA Staffing user fee; 2) fixed rates; or 3) per applicant testing fees. Fees are typically paid annually. Additional funds may be submitted throughout the year if additional funds are needed to cover per applicant testing fees.

Staff Acquisition's pricing structure is based on an analysis of the time and resources associated with delivering staffing services. Staff Acquisition completes studies on the time it takes to complete each task within a hiring action. Time for each task will vary depending on the scope, volume, and complexity of work. The time associated with tasks are averaged across a sample group and used to determine the cost of that activity using our consultant rate. The consultant rate incorporates the average of employee salaries, benefits, overhead, and recurring costs for items used in work delivery. All prices, firm and those developed for a specific customer request, are based on this model.

## **HR Strategy and Evaluation Services (HRSES) (Strategy Objectives 2.2, 3.1, and Additional Mission Activities):**

HR Strategy and Evaluation Solutions (HRSES) provides organizational and individual-focused strategies that help agencies plan and position for maximum performance.

### **Assessment and Evaluation Branch (AEB):**

Leadership and Workforce Development Assessment (LWDA) – develops, validates, and administers leadership and workforce planning assessments to assess leader and employee effectiveness. The assessments target competencies, personality, and leadership potential. Also, conducts competency modeling and gap assessments for workforce training and development.

Selection and Promotion Assessment (SPA) – develops, validates, and administers cognitive and non-cognitive competency assessments for selection, promotion, and diagnostic purposes. This includes job analysis, written and non-written tests, job knowledge tests, performance tests, and computer simulations. Also provides assessment training and support, as well as the USA Hire online assessment platform.

Organizational Assessment (OA) – surveys, including employee climate, customer satisfaction, exit, and custom surveys; the USA Survey automated survey administration and reporting system; OPM Leadership 360; action planning and organizational development; and program evaluation.

### **HR Strategy:**

Position Management & Classification (PMC) – Position management reviews; desk audits; position description and evaluation statement development; classification process reviews; and related consulting and training services.

Workforce Planning & Reshaping (WPR) – Strategic alignment, environmental scanning; organization analysis and design; workload and work process analysis; workforce analysis; organization structure and staffing model recommendations; restructuring/reduction in force; competency and staffing gap analysis against current and future requirements; succession management; and related consulting and training services.

Performance Management & Strategy (PM&S) – Employee and labor relations consulting and training; performance management strategy and program development; performance appraisal program development; performance plan reviews; supervisor, manager, and executive performance management training; and telework services.

USA Performance (USAP) – USA Performance® is a software as a service solution to assist Federal agencies in implementing their Senior Executive Service (SES) and non-SES performance management programs and systems. USA Performance enables agencies to automate their performance appraisal process throughout the entire performance rating cycle.

Pricing for HRSES products and services are based on one of three models: (1) fixed price for off the shelf products and services; (2) customized solutions that typically build upon existing products and services; and (3) services and consultation available on retainer. HRSES pricing is typically scalable,

based on quantities of specific products or services (for example, the number of participants being assessed) and the selection of optional services. Pricing for products and services are based primarily on labor costs for each product or service.

**Human Capital Industry Solutions (HCIS) (Additional Mission Activities):**

The HCIS program employs public/private partnerships to deliver private sector human capital and training services, along with the associated assisted acquisition and program management services to federal agencies. The program provides federal agencies with an expedited procurement process using three Multiple Award, Indefinite Delivery/Indefinite Quantity (MA/IDIQ) contract vehicles (HCaTS Unrestricted, HCaTS Small Business, and HCaTS 8(a)) in the areas of (1) Training and Development; (2) Human Capital Strategy; and (3) Organizational Performance Improvement. The HCIS program provides government-wide customers with the highest-performing and most cost-effective means to develop, deploy, transform and improve a human capital management system through its consolidated, pre-negotiated acquisition vehicles and program management services. HCIS supports the continual improvement of human capital and training investments throughout the federal government by embracing evolving human capital and training practices and policies. The HCIS plays a vital role in fulfilling OPM's mandate to provide these services to agencies under 5 U.S.C. §§ 1104, 1304, and 4116, as well as Executive Order 11348.

GSA provides Contract Administration services and OPM provides HCaTS Lifecycle Program Management and contract operations services. These include providing direct contract access and assisted acquisition services to OPM and other federal agencies. The costs of the contract administration and operations are recovered through a Contract Access Fee (CAF) that is paid by awarded strategic partners for each task order issued under the HCaTS contracts. The CAF is paid by the strategic partners on a prorated basis as work is completed and invoiced.

The HCIS costs associated with delivering assisted acquisition services to federal agencies for acquiring human capital and training services from strategic partners is recovered through an established assisted acquisition services fee schedule. The management fee covers the assisted acquisition and project management services costs which are shared with GSA when they are providing the contracting support and the major financial management support activities. The management fee is a graduated percentage fee applied to all work performed based on customer funding received for a given project. The graduated fee may be adjusted over time to enable the program to generate the right mix of demand and supply to recover total costs. This schedule is presently under review. The HCaTS contracts, through delegated procurement authority (DPA) and OPM assisted acquisition services, provide federal agencies with both direct access and assisted acquisition access to customized training and development services, human capital strategy services, and organizational performance improvement services.

Pricing: HCIS uses a tiered pricing structure for assisted services. In addition, a CAF of 0.75% is assessed on every project whether through HCaTS Assisted or Direct.

The tiers consist of the following:

\$20M+: 3%



\$10M to \$19.999M: 5%

\$2.5M to \$9.999M: 7%

\$500K to \$2.499M: 10%

\$0-\$499K: HCaTS SB, HCaTS Direct or alternative (GSA Schedule, OPM Service, Shared Service, etc.)

The Center for Management Services (HRS Support Programs) (Additional Mission Support Activities): Business Development Services – develops, manages, and deploys HRS enterprise-wide outreach strategy; customer-facing programs and projects that support HRS strategic goals; provides tactical outreach programs and projects; manages the HRS internal research and development program; provides customer and federal market research; interfaces with other branches to plan and deploy effective external marketing and communication programs, and provides executive communication support to HRS senior staff.

Resources Management Services – provides budgetary, financial, human resources, strategic planning, and operations support, including budget development, monitoring, and execution; financial reporting, including forecasting, and trend analysis; interagency agreement support; HRS-wide annual strategic planning and implementation; facilities, equipment, travel, contracting, and purchase card management support; coordinating audits and reviews, reviewing internal controls, employee training and development, internal senior executive and management recruitment consultations, strategic workforce planning, personnel actions, performance management and awards, classification and re-classification of employee position descriptions, and employee and labor relations support.

Enterprise Business Services – provides a variety of business solution development services and tools essential to corporate growth including: leading HRS enterprise initiatives, such as the USA Suite and USA Services projects, HRS Shared Services engagement, and cross-practice area initiatives. This group also aids in developing enterprise performance metrics; developing enterprise guidelines, standards, procedures, protocols, and tools required for effective and efficient administrative support, and provides advice on administrative management issues.

## **Financials**

Value of Anticipated Agreements

FY 2022 = \$333.9M

FY 2023 = \$347.6M

FY 2024 = \$368.5M

New Business Justification

CLD

- USALearning projects that the DOD work will increase during FY-22 based on the DOD MOA continuing to be honored.

- FHRI will expand to four HR curriculum levels available to the Federal community and actively market to become the preferred HR skills training provider to government HR professionals.
- FHRI will be delivering HR courses across the U.S. in OPM field locations via web-based blended learning and technology-enabled media, along with physical classroom events as required ensuring the entire Federal community has access to the FHRI learning experience.
- CLD will hire an assessment and evaluation expert to assess and manage CLD's programmatic needs in this area prior to contracting for an evaluation system.
- CLD will continue to develop and deliver programs under its government-wide Senior Executive Development Portfolio – SES Leading EDGE. The portfolio includes a combination of three programs: SES Orientation Briefings, SES Onboarding Forums, and SES Enterprise Leadership Labs. SES Leading EDGE programs offer continuous executive development for career Senior Executives, which include Senior Executive Service (SES), SES Equivalents, Senior Level (SL), and Scientific or Professional (ST) members. All will be one-day, virtual programs and expect about 650 Senior Executives to participate.
- CLD began a leadership program, offered quarterly, for DHS CISA's Cyber Defense Education and Training Office. The program is focused on developing adaptive leadership to meet the national cybersecurity threat and supports the 2019 Executive Order on workforce development.
- CLD will build on its strategy to employ a corps of intermittent faculty with specialized expertise in needed program areas. Using intermittent faculty provides flexible staffing and less reliance on contracted support for programs.
- CLD will develop new partnerships with Washington DC-based customers to deliver in-house programs with specific focus on those agencies' specific development needs resulting from their diminished internal training and development capabilities. Promising additional new programs include work with the Peace Corps and Social Security Administration.
- The LDS will be refined to enhance strengths based transformational leadership development curriculum to a strengths-infused leadership development curriculum. The virtual delivery for LDS during the pandemic has received positive reviews.
- CLD will expand student evaluation and assessment capabilities to better analyze its programs effectiveness and to provide additional information for programmatic decisions.

#### FSC

- Improving the USAJOBS customer experience. As a designated High Impact Service Provider (HISP), USAJOBS will leverage user research, iterative prototyping, and testing to deliver value added features. USAJOBS will expand recruitment tools delivery and streamline processes so agencies can utilize USAJOBS for non-competitive appointing authorities to attract high quality talent. This includes developing a Veterans API (Application Programming Interface) database connection to facilitate veterans' preference assessments and enhancing "job status" updates for



applicants to help address challenges with notifying applicants of their application status. We will also continue to expand Open Opportunities and help maximize agencies' ability to draw talent through career-specific sites.

- Helping agencies optimize USA Staffing capabilities. USA Staffing will complete the NASA and Department of the Treasury transition to the USA Staffing talent acquisition system to fully leverage the system's talent acquisition, onboarding, classification, USA Hire, and data interconnection capabilities. USA Staffing will focus on several in-progress enhancements to help agencies meet critical hiring requirements, including interconnecting with the new USA Hire platform, maturing the classification capability and deploying a new business intelligence tool to enhance reporting capabilities. Additionally, we will continue to explore a partnership with the U.S. Digital Service to build a Subject Matter Expert Qualification Assessment (SME-QA) tool in USA Staffing.
- Expanding USA Hire. Increase usage of current USA Hire occupational assessments by Federal agency customers and build future assessments to help agencies expand their use of rigorous assessments in alignment with the Executive Order on Modernizing and Reforming the Assessment and Hiring of Federal Job Candidates. USA Hire will migrate online assessments to an upgraded USA Hire platform and provide a range of capabilities including mobile testing, online interviewing, and remote test proctoring.
- Expanding agency hiring government-wide by leveraging the new FSC contract with YRCI to initiate and scale our services to a better position Staff Acquisition to meet a wide range of staffing needs across government.

#### HRSES

- In partnership with HR Solutions' FSC and CLD, HRSES will expand its IT systems capabilities – namely USA Performance – and the products and services delivered using those systems.
- HRSES plans to build new content for the USA Hire online assessment platform, providing more online assessment options for agencies. HRSES will increase its partnership with FSC to deploy the classification component of USA Staffing and work with customer agencies to fully implement while updating their position descriptions libraries.
- HRSES will also expand its existing change management offerings to include capabilities from across HR Solutions to increase the Federal Government's ability to manage and execute major organizational changes.
- Consulting business will increase in FY 2021-2023 as HRS' software-as-a-service offerings expand in the market, as agencies will need to align their data, position descriptions, performance plans, and organizational structures to transition to end-to-end servicing. Key anticipated clients include DOD, DHS, DOJ, and USDA.

#### HCIS

- HCIS team will deploy three primary strategies to increase new business:
  1. Enhanced collaboration with the Human Capital Category Management team, the HCIS team will identify the agencies with the largest expected spend in human capital.
  2. Enhanced collaboration with the GSA National Accounts Team to share with the HCIS team agencies that may need our HCaTS services.
  3. Enhanced collaboration with HCaTS industry contractors to identify which agencies may have requirements that fit the key services areas under the HCaTS contracts.

The HCIS and GSA teams will leverage the marketplace drivers to help agencies better understand HCaTS benefits. OMB’s Best-in-Class (BIC) designation should be a key driver for new business. OMB has designated the HCaTS contracts as a BIC solution for the human capital category since FY 2017. Per OMB Memo M-17-22, agencies should consider leveraging providers on BIC contracts as part of the category management effort. Additionally, per OMB Memo M-19-13 and the President’s Management Agenda, agencies are directed to leverage existing contracts for common goods and services. Generally speaking, using BIC solutions saves time and money. The HCaTS contracts have consistently satisfied the following key criteria as a BIC solution:

- Rigorous requirements definitions and planning processes
- Appropriate pricing strategies
- Data-driven strategies to change buying and consumption behavior (i.e., demand management)
- Category and performance management strategies
- Independently validated reviews
- Increasing sales and revenue through more active engagement of industry contractors
- After on-ramping new contractors in FY 2019 and FY2020, the GSA HCaTS Program Office plans to on-ramp approximately 20 new contractors for HCaTS 8(a) Pool 1 and 20 for HCaTS 8(a) Pool 2. Making these two contract vehicles more robust should help grow the HCaTS business since it will enable federal agencies to meet their small business contracting goals.

### **Enterprise Human Resources Integration (EHRI)**

The electronic Official Personnel Folder (eOPF) is a program within the HER-DW major investment supporting the e-Government initiative to leverage the benefits of information technology, as required by the E-Government Act of 2002. The goal of eOPF is to streamline and automate the collection, aggregation, and maintenance of official career lifecycle documents for Federal employees during their government service. The investment broadly supports the OPM mission by enabling the agency to provide the Federal HR community and employees with access to employee data to improve workforce planning for hiring, skills development, retention strategies, and Government-wide human resource (HR) and recordkeeping policy.

The eOPF system is a web-based application that stores and displays career lifecycle documents and data pertaining to current, separated, and retired Federal employees. The system has replaced the several

manual HR process by automating much of the Federal government's HR processes and creating a centralized Federal HR document system. The eOPF covers Title 5 Executive Branch departments and agencies, with some exceptions, as well as some components of the Legislative, Judiciary, and other government corporations, boards and commissions, and various independent entities, with a total user population of approximately 2.4 million. The eOPF application is provided through a fee-for-service arrangement with participating agencies. FY 2022 budget is expected to be \$ 26,030,573 for eOPF support and scanning services.

The agency pricing structure for eOPF maintenance is a fixed price per license based on the number of active users at the customer agency. The eOPF license maintenance, paid annually by the customer, covers the following: (1) Program Management Office support; (2) contract administration; (3) IT security; (4) OPM Common Services; (5) credit monitoring; (6) software license renewals and maintenance; (7) record storage and transfer services provided by the National Personnel Records Center; (8) IT infrastructure hosting and maintenance services; (9) product development; (10) document scanning; and (11) helpdesk services.

### **Planned FY 2022 Activities**

In FY 2022, eOPF will be actively implementing efforts to put data-driven tools in the hands of employees, HR managers and executives that drive quantifiably better talent management decisions and outcomes, and quantifiably better employee experience outcomes. This will include expanding interfaces with other HR systems to provide a comprehensive view of the federal workforce and to better leverage data to inform workforce planning and reporting.

eOPF will also be actively working with agencies to eliminate the backlog of documents for our current customers that need to be scanned and loaded into eOPF, as well as onboarding new eOPF customers.

The success of the eOPF fee-for-service component depends on the continuation of incoming funds through existing and new partner agencies subscribing to eOPF services. These services include program management; providing eOPF training and resources to the human resources community; on-boarding new customers; performing scanning for new agencies and existing agencies who request these services; supporting agencies' eOPF folders; maintaining and supporting infrastructure, applications, and software; providing required system security; and operating a user helpdesk.

Working with customer agencies, eOPF will continue to implement new tools and technologies to better store and manage these important federal records and associated data.

Finally, the eOPF will continue to leverage new tools and technologies to access employee data and records, develop additional opportunities to share data across platforms, when appropriate, and continue to explore and implement creative user focused solutions to improve the value of eOPF data and records for employees and agency HR specialists.

### **Planned FY 2022 Accomplishments**

In FY 2022, eOPF will successfully support on-going operations and maintenance, continued document scanning services for new and existing customers including elimination of the eOPF scanning backlog,

continue development of new tools and technologies for users, and continue implementation of the next generation of human capital data management and modernization.

## **Human Resources Line of Business**

In 2004, the U.S. Office of Management and Budget (OMB) and Office of Personnel Management (OPM) launched the Human Resources Line of Business (HRLOB) Initiative, for which OPM is the managing partner. The HRLOB leads the transformation and evolution of Federal Human Capital (HC) and its Strategic Framework is aimed at developing a single, integrated Federal Human Resources Information Technology (HRIT) to support the 21st century Federal workforce. The Framework builds on HRLOB's previous success, and when fully implemented, will result in the modernization of HRIT service delivery, improvement of HR data management and standardization, and the effective use of strategic sourcing.

The HRLOB is a strategic and transformational initiative that directly supports OPM's mission. The HRLOB actively supports Strategic Objective 2.2: Advance Human Capital Management (HCM) through the strategic use of interoperable HRIT and Strategic Objective: 2.3: Streamline data collection and leverage data repositories to enhance enterprise-wide Human Resource (HR) data analytics and reduce low-value reporting requirements.

In FY 2022, the HRLOB will continue to lead the government-wide strategic management of HC through innovation of interoperable data, services and operations. The HRLOB activities include:

- HC Capital Policy, Performance & Operations-Support the issuance and implementation of HC policy, align established HCM frameworks to Federal acquisition strategies, and identify opportunities to enhance HC performance Government-wide.
- HC Standards Management and Modernization-Define modern operational model for Federal HCM; develop, maintain, and promote functional standards for HC service delivery, performance, data exchange, and security.

The FY 2022 activities will advance the achievement of the following program's goals:

- Drive HC Advancement-Create a modern, standardized human capital environment that meets the need of the Federal workforce and enables the continuous improvement of HCM and service delivery.
- Enhance Service Value-Increase efficiencies in the acquisition, development, and delivery of HC services and supporting systems to improve service quality and reduce duplicative spend.
- Unify the HC Community-Enable collaboration between HC customers, providers, executive stakeholders, and supporting partners to leverage the government's collective expertise in establishing common HC principles.
- Improve the Employee Experience-Support the complete, secure, and timely sharing of information across an employee's career to improve confidence in Federal HCM.

## **Human Resources Solutions Information Technology Program Management Office**

The HRS Information Technology Program Management Office (HRS IT PMO or PMO) provides technology support in the form of IT systems development and hosting, supplying both internal and external customers a wide variety of information technology services in the human resources arena. The PMO expects \$80,800,000 in total agreements in FY2022 and expects program income of \$79,000,250, with revenue exceeding expenses by \$1,549,025. Earned Revenue over cost is used to reinvest in products and services for the PMO and/or to cover wind-up costs in the event of liquidation.

### **Planned FY 2022 Activities**

The PMO delivers leading-edge, innovative, high quality human resource information technology products and services that contribute to organizational effectiveness. The PMO is comprised of three lines of business (LOBs): OPM's Human Resources Solutions, Other OPM Services, and External Services which include two Employee Self Service Systems (Employee Express and myPay). All of its lines of business contain IT systems that span the HR life cycle and allow the program to sustain itself financially.

FY 2022 activities prioritize the maintenance and sustainment of various existing systems, the largest of which are OPM's Talent Acquisition System – USA Staffing; OPM's Federal Government job board - USAJOBS; Enterprise Human Resources Integration – Data Warehouse hosting; and a wide variety of other web-based applications used by dozens of Federal agencies. Several new development and/or system upgrades are planned. Of note, USA Staffing will be improving the overall user experience through a series of functionality upgrades scheduled for FY21 and FY22. Technical upgrades to include document processing improvements, additional testing automation, and a separate training environment will also be deployed.

### **Other OPM Services Line of Business**

This LOB is the largest of the three, accounting for 48% of revenue. It is comprised of products and services provided to other non-HRS organizations within OPM. Among the OPM offices our PMO supports are the Retirement Services program, Healthcare and Insurance program, and Enterprise Human Resources Integration – Data Warehouse Program. HRS IT PMO is responsible for the design, development and hosting of systems within those offices. In addition to being the largest line of business, this is also the fastest growing as organizations within OPM have increasingly recognized the value and technical expertise that the HRS IT PMO provides.

### **Human Resources Solutions Line of Business**

The OPM Human Resources Solutions (HRS) LOB accounts for 41% of annual revenue. The PMO provides OPM's HRS organization with technical support, web-based applications, hosting, and programming support. The primary systems the PMO supports are: (1) USA Staffing, OPM's Talent Acquisition System, which enables Federal agencies to effectively recruit, assess, certify, and onboard qualified candidates for Federal positions; and (2) USAJOBS, OPM's job board system that integrates with USA Staffing and several commercial staffing systems. The PMO ensures system compliance with

Federal hiring regulations, flexibilities, authorities, and NIST IT Security Guidelines. In addition, the HRS IT PMO provides smaller-scale information technology services for other organizations within HRS. These services enable HRS to fulfill customer demand for automation in the areas of talent acquisition, onboarding, employment, and performance management.

### **External Services Line of Business**

Two primary products offered within the Employee Self Service Systems LOB serve more than six million people worldwide. The first, Employee Express, is accessible via the Web, and provides automated information that empowers Federal employees to initiate the processing of their discretionary personnel-payroll transactions electronically. The second, myPay, provides the same service to Department of Defense Federal employees, military members, and military retirees. This line of business rounds out the remaining income for the HRS IT PMO, accounting for 11% of annual revenue.

The HRS IT PMO will continue to deliver products and services to our customers as outlined above, allowing agencies its services to become high-performing organizations and supporting their HR life cycle needs through affordable information technology solutions. HRS IT PMO will recover costs of operations by managing dozens of individual reimbursable agreements with its customers. Costs and associated pricing models are determined through a rigorous assessment of direct costs of service delivery, indirect costs of program administration, and the OPM common services assessment. For years, the PMO has had a strong base of repeat customers who choose our products and services for quality, innovation, value, and proven performance. This will continue in FY 2022.

### **Credit Monitoring and Identity Protection Services**

The Office of Personnel Management (OPM) continues to maintain the Credit Monitoring and Identity Protection Services Program (CM IPS), which was implemented as a result of the cybersecurity incidents OPM announced in 2015. Pursuant to the Consolidated Appropriations Act, 2017 (P.L. 115-31), Section 633 of Division E, OPM is required to provide CM IPS through FY 2026 which includes not less than \$5 million in identity theft insurance.

Accordingly, OPM began offering these services to impacted individuals as of July 1, 2015. Currently, CM IPS are provided by Identity Theft Guard Solutions, LLC, doing business as ID Experts awarded under the General Service Administration's Identity Protection Services (IPS) Multiple-Award Blanket Purchase Agreement (BPA). This award will have a possible full period of performance of five years, which will continue to provide coverage to all impacted individuals through June 2024.

CM IPS costs consist of the contract described above as well as operational, management, and administrative costs. There are two funding sources for the program. OPM collects annually from the largest federal agencies via an Inter-agency Agreement (IAA) based on proportional allocation of total program cost. The basis for distribution is the number of background investigations historically ordered by each agency. Additionally, fees are collected by the Enterprise Human Resource Integration (EHRI) program as part of the eOPF rates charged to agencies to fund the CM IPS program.

The CM IPS program provides a comprehensive suite of credit and identity monitoring, identity theft insurance, and identity restoration services. The FY 2022 costs are projected to be \$86,014,228 for the following:

Credit Monitoring & Identity Protection Services – The BPA Call awarded to ID Experts included a one-year base period and four option periods.

Verification Center Operations – The Verification Center is provided through an assisted acquisition, funded by OPM, through two annual interagency agreements (one for each of the two cybersecurity incidents announced in 2015) with DOD’s Defense Information Systems Agency (DISA) Defensive Information Technology Contracting Organization (DITCO).

Verification Letters – The determinations of impact status which are generated by the Verification Center are communicated to requestors by letter sent via the US Postal Service. Currently, DOD’s Defense Logistics Agency (DLA) prints and sends these notification letters. These letters include the 25-digit PIN which is necessary to enroll in the services provided.

CM IPS Program Office – In managing the CM IPS Program there are additional administrative costs incurred related to salaries and benefits, training, and site visits. The CM IPS program office consists of five people, including labor by other offices throughout the agency which is charged to the CM IPS program.

The aforementioned activities are Congressionally mandated as they support provision of comprehensive, complimentary identity protection coverage pursuant to P.L. 115-31.





# U.S. Office of Personnel Management Office of the Inspector General

## Budget Request – Fiscal Year 2022

### Salaries & Expenses and Trust Fund

The U.S. Office of Personnel Management (OPM) Office of the Inspector General (OIG), is requesting \$34,910,300 for its fiscal year (FY) 2022 budget. This request is composed of \$5,345,000 from the Salaries and Expenses General Fund and \$29,565,300 from the OPM Trust Funds.

Due to significant operational needs to directly support high-priority oversight activities, the OPM OIG is requesting an increase of \$2,645,300: \$345,000 in Salaries and Expenses General Fund and \$2,565,300 in OPM Trust Funds appropriations.

Budgetary Resources	FY 2020 Enacted		FY 2021 Enacted		FY 2022 Request	
	\$	FTE	\$	FTE	\$	FTE
Salaries & Expenses	\$5,000,000	20	\$5,000,000	20	\$5,345,000	23
Trust Fund Annual	\$25,265,000	134	\$27,265,000	134	\$29,565,300	140
<b>Total Discretionary (dollars)</b>	<b>\$30,265,000</b>	<b>154</b>	<b>\$32,265,000</b>	<b>154</b>	<b>\$34,910,300</b>	<b>163</b>

### Revolving Fund

For FY 2022, the OPM OIG estimates that \$1,500,000 and 7 full-time equivalent (FTE) will be required for OPM Revolving Fund (RF) oversight activities. Currently, the OPM RF consists of the following programs: Human Resources (HR) Solutions; Enterprise Human Resources Integration (EHRI); Human Capital Data Management and Modernization Directorate; Human Resources Tools & Technology (HRTT); Suitability Executive Agent; and Credit Monitoring.

Budgetary Resources	FY 2020 Enacted *		FY 2021 Enacted**		FY 2022 Request	
	\$	FTE	\$	FTE	\$	FTE
Revolving Fund (Estimated)	\$894,000	5	\$1,666,000	8	\$1,500,000	7
<b>OIG Total (dollars)</b>	<b>\$,894,000</b>	<b>5</b>	<b>\$1,666,000</b>	<b>8</b>	<b>\$1,500,000</b>	<b>7</b>

\*Estimate was previously \$684,845 and 6 FTE

\*\*Estimate was previously \$776,046 and 6 FTE

## Additional Investments

The OPM OIG requests additional investments in the following areas:

Discretionary	Adjustments to Base	FY 2021 Enacted	FY 2022 Request	Difference
Base	--	\$32,265,000	\$32,265,000	\$0
	2.7% Pay Raise Increase	\$0	\$400,300	\$400,300
<b>Program Changes (Increases/Decreases)</b>				
	Artificial Intelligence and Advanced Reporting	0	\$1,059,000	\$1,059,000
	Personnel Needed to Leverage and Secure Advanced Data Capabilities	\$0	\$895,000	\$895,000
	Office of Evaluations Investment	\$0	\$291,000	\$291,000
<i>FY 2021 Program Increases/Decreases</i>		<i>\$0</i>	<i>\$2,245,000</i>	<i>\$2,245,000</i>
<b>Total Appropriated</b>		<b>\$32,265,000</b>	<b>\$34,910,300</b>	<b>\$2,645,300</b>
<b>Total FTE</b>		<b>154</b>	<b>163</b>	<b>9</b>

## Budget Investments – FY 2022

### OPM OIG’s Advanced Data Analytics Program

The OPM OIG maintains data that is among the most valuable and sensitive information managed by the Federal government. Specifically, this office collects, stores, and analyzes billions of medical claims from individuals participating in the Federal Employees Health Benefits Program (FEHBP). Although this information originates from individual private health insurance carriers that participate in the FEHBP (e.g., BlueCross BlueShield, Aetna, etc.), no other entity possesses a consolidated data repository similar to that owned and operated by the OPM OIG. The OPM OIG’s information systems provide an integrated view of the FEHBP population, allowing skilled auditors and investigators to leverage data analytics in the course of their oversight activity.

The OPM OIG maintains a system called the FEHBP Data Warehouse that stores the FEHBP claim records. The system is used by auditors and investigators in the course of their oversight activity, to include the identification of improper payments and to assess levels of exposure to alleged fraud, waste, and abuse in OPM programs.

The OPM OIG has been very successful in analyzing and mining data for audit and investigative purposes, and this system is the source of millions of dollars in financial recoveries and multiple criminal convictions every year. However, the current work does not scratch the surface of the possibilities of analytical information that could be derived from this health care data.

Historically, the OPM OIG was limited by both the skillset of its current staff and by the technical limitations of the system. However, the OPM OIG recently completed a digital transformation of its entire technical environment. The legacy FEHBP Data Warehouse system has been migrated to a modern

cloud-based platform that can fully leverage the latest technology in data analytics, business intelligence, and reporting.

The modernized system is the foundation for the OPM OIG's expanding and evolving health care Advanced Data Analytics Program. OPM OIG auditors and investigators will be able to use tools such as artificial intelligence to identify legitimate health care claim transactions, while flagging potentially fraudulent claims for further review. The OPM OIG is at a turning point where strategic investments in technology and personnel can dramatically enhance its oversight work related to improper payments and fraud in the FEHBP.

### **Artificial Intelligence and Advanced Reporting (\$1,059,000)**

With the modernized infrastructure in place, the next phase is to leverage emerging technologies, such as artificial intelligence (AI), to enhance the systems' capabilities. With health care fraud tactics constantly evolving, it is difficult to stay on top of existing known trends, much less detect newly emerging trends or predict future fraud schemes.

AI systems will be used to detect potential improper payments and/or fraudulent health care transactions in near real-time, by running various types of automated models against the data. When paired with data visualization reporting tools, AI capabilities represent the next step toward helping business users understand and analyze complicated data clearly and concisely. The tools will allow OPM OIG users to study the data and generate graphics that display trends, patterns, and anomalies, and this information will drive the direction of the oversight work.

For example, we have used our legacy system to analyze trends in FEHBP medical records that are likely attributed to the COVID-19 pandemic. One particular concern is a notable decrease in preventative care during the pandemic observed in the data. While this research was labor-intensive, a mature AI capability could automatically detect anomalies of this nature including, but not limited to:

- Potential duplicate payments within an individual insurance plan or across multiple plans;
- Fraud patterns detected by performing cross analysis of medical and pharmaceutical claims;
- Outliers of opioid prescription activity based on geography, provider type, etc.; and,
- Potential improper payments based on "impossible activity" (e.g., a patient receiving care at two geographically distant providers on the same date).

While the OPM OIG's vision for an Advanced Data Analytics Program with AI capabilities will support ongoing work related to the COVID-19 pandemic and the opioid epidemic, the value of the AI program can be broadly applied to the entire FEHBP. These two issues represent only a small portion of our oversight portfolio, and a mature AI program will greatly improve the overall efficiency of our oversight work – ultimately leading to increased recovery of improper payments and the prosecution of criminal activity related to the FEHBP. The OPM OIG has developed a framework for its AI program and has begun market research with vendors to implement this initiative. The requested \$1,059,000 includes the costs for enhancing the cloud infrastructure, additional software licenses, and contract labor.

## **Personnel Needed to Leverage and Secure Advanced Data Capabilities**

**(\$895,000 for 7 FTE)**

Enhancements in technology must be accompanied by skilled personnel to leverage its capabilities. The OPM OIG is not simply making marginal improvements on its legacy oversight work, it is transforming the way the organization fulfills its mission.

The OPM OIG is requesting resources for an additional 7 FTE – these individuals are critical to both leveraging the system in an oversight capacity and to further enhance the cybersecurity posture of the technical environment where this highly sensitive data resides.

### ***Oversight Personnel (5 FTE)***

The country continues to endure two once-in-a-generation health crises. The OPM OIG requests additional resources for investigating health care fraud against the FEHBP as bad actors continue to exploit health care systems responding to the COVID-19 pandemic and the opioid/drug abuse epidemic. These fraud schemes cause real and lasting patient harm to Federal employees, retirees, and their families and waste millions in taxpayer dollars.

During the nationwide COVID-19 vaccination campaign and as communities reopen, the OPM OIG continues its necessary enforcement and oversight mission to protect FEHBP beneficiaries from fraud, waste, abuse, and patient harm. We prioritize cases involving fraud potentially related to the COVID-19 pandemic. Schemes involving fraudulent testing, treatment, and prevention of COVID-19 are likely to be a significant part of our already heavy investigative caseloads for the immediate future. The COVID-19 pandemic has also had far-reaching effects on existing fraud, waste, and abuse schemes prevalent and actively harming FEHBP beneficiaries. As we resume normal investigative operations and transition out of the COVID-19 health and safety procedures, we anticipate increases in case referrals from law enforcement partners and the FEHBP health insurance carriers. Drastic changes to the health care environment, such the explosive growth in telehealth usage, present substantial investigative challenges. These cases often involve large amounts of health care data and require substantial investigative efforts from our criminal investigators and investigative analysts.

As part of the so-called “diseases of despair,” the opioid and drug abuse deaths and cases of substance use disorder appear to be rising throughout the United States as an ancillary consequence of the COVID-19 pandemic. Many of our opioid or substance use disorder cases involve health care fraud or abuse at areas purportedly for recovery. Additional resources will enhance our ability to investigate these cases and protect a population vulnerable to exploitation or serious patient harm. Specifically, the OPM OIG requests funding for the following FTE:

- Criminal Investigator (1) – to expand the OPM OIG’s ability to combat fraud in the face of multiple nationwide health emergencies. There is not enough human capital to work through the voluminous number of leads the OIG annually receives.

- Health Care Data Analyst (2) – to focus on investigative and analytic techniques by analyzing data related to FEHBP health care trends, fraud, and improper payments. Furthermore, the analysts will enhance the ability of the OPM OIG to conduct sophisticated claims and data analysis to understand rapidly changing trends affecting health care policy, fraud, trends and improper payments. This is especially important considering the potential of the COVID-19 pandemic’s effect on traditional health care fraud schemes.
- Attorney (1) and Paralegal (1) – in addition to the day-to-day legal counsel, the Office of Legal and Legislative Affairs (OLLA) offers technical assistance and support so that the OIG’s written products and policies comply with executive orders, regulations, and statutes. As a result of pandemic and opioid related fraud matters, OLLA expects an increased workload in areas that include negotiations, settlements, administrative sanctions, and recoveries for the FEHBP and Retirement Trust Funds.

***Cybersecurity personnel (2 FTE)***

The OPM OIG owns and operates an independent information technology (IT) infrastructure within the broader technical environment maintained by the agency<sup>1</sup>. The OPM OIG infrastructure contains a variety of applications and analytical tools that store and process highly sensitive data derived from OPM benefits programs.

The U.S. Government is constantly under cyber-attacks from malicious hackers, and the large scale breaches of 2020 (e.g., SolarWinds) have brought heightened attention to this critical issue. The data maintained by the OPM OIG not only includes personally identifiable information about FEHBP members, but it contains detailed information about their medical encounters, including medical diagnoses and procedures.

Although the OPM OIG has an advanced and modernized technical infrastructure, we currently have only 2 FTE dedicated to cybersecurity. These individuals are responsible for developing cybersecurity policy and facilitating the Authorization to Operate for multiple OIG systems. These responsibilities limit the team’s availability to perform more tactical cybersecurity functions such as real-time system monitoring, vulnerability scanning, and penetration testing. We request funding for the following FTE that will be dedicated to this critical cybersecurity work and ensuring that our sensitive data is safeguarded.

- Cybersecurity Specialist (1) – needed to perform internal tactical cybersecurity functions such as real-time system monitoring, vulnerability scanning, and penetration testing.
- Amazon Redshift Administrator (1) – the modernized system resides on an Amazon Redshift platform. Although the open format and scalability of Redshift offer tremendous value to the OPM OIG, the system must be securely configured in order to minimize the threat of cyber-

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<sup>1</sup> Due to the sensitive nature of the OIG’s work and the security clearances required to access protected health care information, the OIG keeps its data segregated from OPM.

attacks. The management of a Redshift platform requires a specialized skillset that is a blend of cybersecurity and database administration.

### **Office of Evaluations Investment (\$291,000 for 2 FTE)**

Our Office of Evaluations (OE) was established to be a catalyst for change through a flexible, innovative new approach to oversight. OE typically involve multiple objectives, have complex or unclear criteria, and may involve more than one OPM program office.

The office, however, is currently staffed with only 3 FTEs, a Chief and 2 Senior Program Analysts. This staffing level limits the number of studies performed to 3 per year. An additional 2 FTEs will provide the necessary resources to increase the oversight of major OPM programs where we have not been able to conduct studies due to resource limitations. One such program is the Employee Services Office within OPM. Employee Services is responsible for several major initiatives that are geared to improve the Federal Government's Strategic Human Capital programs within the Federal Government. The following list of initiatives that OPM has implemented over the past several years would be the types of evaluations we would be able to consider with the additional resources:

- Veteran's Employment Initiative;
- Federal recruitment and hiring process;
- Closing the skills gap; and,
- Phased Retirement regulations.

In addition, we will have the resources to assess the effectiveness of new priorities. For example, the Executive Order on Advancing Racial Equity and Support for Underserved Communities through the Federal Government (January 2021) highlights the need for evaluating whether OPM's programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups. Such evaluations will better prepare OPM to develop policies and programs that deliver its services and benefits equitably to all.

Finally, 2 additional FTEs would also enable the OE to continue to support the requests of Congress and OPM's management to assess OPM functions as the need arises.

### **Personnel Cost Increases (\$400,300)**

The Biden Administration proposes a 2.7% Pay Raise for FY 2022. The proposed 2.7% Pay Raise will result in additional personnel costs totaling \$400,300 for the OPM OIG.

### **OPM OIG Overview**

The OPM OIG was established as a statutory entity on April 16, 1989. It operates under the authority of the Inspector General Act of 1978 (Public Law (P.L.) 95-452), as amended.

The OPM OIG offices provide comprehensive and cohesive oversight of OPM programs. Ongoing key initiatives include identifying and recommending recovery of improper payments related to the FEHBP and retirement annuities, ensuring that OPM and its contractors implement critical cybersecurity controls,

and using proactive data analytics methods to combat the effects of the COVID-19 pandemic and opioid epidemic on the FEHBP and its enrollees.

The OPM OIG is comprised of the following organizational components:

### **The Office of Audits**

The Office of Audits (OA) conducts comprehensive, independent, and risk-based audits of OPM programs, operations, and contractors. The office's core responsibility is auditing the activities of OPM contractors that underwrite and provide health and life insurance benefits to Federal employees, annuitants, and their dependents and survivors through the FEHBP and Federal Employee Group Life Insurance (FEGLI). Audits issued by the OA annually lead to the recovery of tens of millions of dollars of improper payments to the OPM trust funds.

### **The Office of Investigations**

The Office of Investigations (OI) conducts criminal, civil, and administrative investigations of fraud, waste, and abuse related to OPM programs and operations and investigates OPM employee and contractor misconduct or violations of criminal law. The office actively coordinates with the Department of Justice and other Federal, State, and local law enforcement authorities on investigations that lead to criminal prosecutions, criminal and civil monetary recoveries, administrative corrective actions, and exclusions from participation in Federal health care programs and contracts.

### **The Office of Evaluations**

The Office of Evaluations (OE) conducts broad, issue-based studies of OPM programs that focus on program effectiveness and rely on in-depth analysis using multiple sources of data. The office combines the scoping and planning of traditional audits with the more reactive nature similar to investigations, to quickly respond to high priority issues requiring immediate attention.

### **The Office of Management**

The OIG's Office of Management (OM) is responsible for supporting OPM OIG functions related to IT, human capital, budget, procurement, and facilities. The OPM OIG independently maintains its own internal information technology (IT) infrastructure within the broader OPM technical environment, and is currently building out an advanced data analytics program to support OIG oversight work.

### **The Office of Legal and Legislative Affairs**

The Office of Legal and Legislative Affairs (OLLA) provides legal advice and representation to the Inspector General and the OPM OIG employees nationwide. The office also renders opinions on OPM programs and operations, as well as provides legal support for the OPM OIG's internal operations, including personnel and administration. The Debarring Official also resides within OLLA and is responsible for suspending and debarring health care providers who have committed various criminal, professional violations from participation in the FEHBP.



## OPM OIG Performance Metrics and Other Statistical Information

### Performance Metrics

The following performance metrics demonstrate how the OPM OIG measures improvements in organizational effectiveness in the accomplishment of its mission and goals.

	FY 2019 Result	FY 2020 Result	FY 2021 Goal	FY 2022 Goal
Percentage of Items Completed on Audit Agenda, in accordance with Yellow Book Standards	100%	98%	89%	90%
Percentage of Audit Reports issued that meet OIG timeliness and quality guidelines	100%	96%	89%	90%
Percentage of investigative cases closed during a fiscal year which resulted in a successful outcome (i.e., criminal action, civil action or administrative action).	97%	90%	90%	90%
Percentage of quality improvement recommendations (revisions to contracts, policies, carrier letters, etc.) accepted by OIG senior staff and referred to stakeholders to mitigate fraud, waste, and abuse. <sup>A</sup>	90%	90%	90%	90%
Number of debarments and suspensions	875	776	850	850

### Other Statistical Information

The following statistical information demonstrates to the public the impact of the collective efforts of the OPM OIG, OPM, and its contractors in reducing fraud, waste, and abuse. The statistical information reported by the OPM OIG, while indicative of the effectiveness of its oversight, is not solely under the control of or based on the OPM OIG's efforts.

Details	Target	FY 2018 Result	FY 2019 Result	FY 2020 Result
Positive Financial Impact Using Questioned Costs		\$104,816,614	\$101,119,104	\$32,649,297
ROI Using Questioned Costs		\$4	\$3.3	\$2.9
Positive Financial Impact Using Management Commitment to Recover Funds		\$82,522,471	\$72,821,979	\$59,257,326
ROI Using Management Commitment to Recover Funds		\$3	\$2.7	\$2
Questioned Costs		\$109,363,440	\$30,881,876	\$23,522,728
FEHBP Audit Cycles (in years) <sup>A</sup>				
Experience-Rated Carrier Audits	7	9.7	11.6	9.8
Community-Rated Carrier Audits	5	16.5	22.7	21.4
Carrier IT Security Audits	6	10.4	12.3	9.3
Audit Recovery Rate <sup>B</sup>		43%	37%	39%
Number of Debarment and Suspension Inquiries		4,607	4,200	4,479

<sup>A</sup> An audit cycle measures the frequency of completed audits of carriers or other auditees in an audit universe. For FEHBP carriers, regulations require that they maintain documentation supporting rates and costs for 6 years. The target audit cycle for these carriers is based on this and the realization that the older the information is that the OPM OIG is trying to audit, the less efficient the audit will be.

<sup>B</sup> The audit recovery rate represents the percentage of questioned costs from audit reports that are ultimately recovered and returned to the FEHBP Trust Fund (a small percentage of questioned costs may relate to other programs). The recovery rate presented is a 5-year average.



but because it is not unusual for the audit resolution process to take multiple years, the reported rate is based on incomplete information. To partially compensate for this, receivables are included in the calculation, some of which may not be recovered.

## FY 2022 Budget Request by Object Class

### Salaries and Expenses Budget by Object Class

Object Class	FY 2021 Enacted	FY 2022 Request	Increase/Decrease
Personnel compensation	\$3,057,000	\$3,330,000	\$273,000
Personnel benefits	\$922,000	\$994,000	\$72,000
Travel and transportation of persons	\$85,000	\$85,000	\$0
Transportation of things	\$0	\$0	\$0
Communications, utilities, and rent	\$723,000	\$723,000	\$0
Printing and reproduction	\$0	\$0	\$0
Other services	\$213,000	\$213,000	\$0
Supplies and materials	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Land and structures	\$0	\$0	\$0
<b>Total Object Class</b>	<b>\$5,000,000</b>	<b>\$5,345,000</b>	<b>\$345,000</b>
<b>FTE</b>	<b>20.0</b>	<b>23.0</b>	<b>3.0</b>

### Trust Fund Limitations – Budget by Object Class

Object Class	FY 2021 Enacted	FY 2022 Request	Increase/Decrease
Personnel compensation	\$15,534,000	\$16,390,300	\$856,300
Personnel benefits	\$5,053,000	\$5,438,000	\$385,000
Travel and transportation of persons	\$807,000	\$807,000	\$0
Transportation of things	\$10,000	\$10,000	\$0
Communications, utilities, and rent	\$3,594,000	\$3,594,000	\$0
Printing and reproduction	\$20,000	\$20,000	\$0
Other services	\$1,674,000	\$2,733,000	\$1,059,000
Supplies and materials	\$76,000	\$76,000	\$0
Equipment	\$497,000	\$497,000	\$0
Land and structures	\$0	\$0	\$0
<b>Total (dollars)</b>	<b>\$27,265,000</b>	<b>\$29,565,300</b>	<b>\$2,300,300</b>
<b>FTE</b>	<b>134.0</b>	<b>140.0</b>	<b>6.0</b>

### **Additional Reporting Requirements**

The following information is provided to adhere to the requirements of the Inspector General Reform Act of 2008 (P.L. 110-498):

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#### **Participation in CIGIE Resource Summary – includes all resources (dollars)**

Budget Source	FY 2021 Request		FY 2022 Request		Increase/Decrease	
	\$	FTE	\$	FTE	\$	FTE
OIG Salaries and Expenses	\$16,500	0.0	\$16,500	0.0	\$0	0.0
OIG Trust Funds	\$97,211	0.0	\$97,211	0.0	\$0	0.0
<b>OIG Total (dollars)</b>	<b>\$113,711</b>	<b>0.0</b>	<b>\$113,711</b>	<b>0.0</b>	<b>\$0</b>	<b>0.0</b>

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#### **Training Resource Summary – includes all resources (dollars)**

Budget Source	FY 2021 Request		FY 2022 Request		Increase/Decrease	
	\$	FTE	\$	FTE	\$	FTE
OIG Salaries and Expenses	\$14,973	0.0	\$14,973	0.0	\$0	0.0
OIG Trust Funds	\$306,569	0.0	\$378,569	0.0	\$72,000	0.0
Revolving Fund (Estimated)	\$6,276	0.0	\$6,276	0.0	\$0	0.0
<b>OIG Total (dollars)</b>	<b>\$327,818</b>	<b>0.0</b>	<b>\$399,818</b>	<b>0.0</b>	<b>\$72,000</b>	<b>0.0</b>

# Other Requirements

## Major Management Priorities and Challenges

OPM's major management priorities and challenges are:

- Objective 4.1: Improve collaboration, transparency, and communication among OPM leadership to make better, more efficient decisions, increasing OPM's collaborative management score by 4 percentage points.
- Objective 4.2: Invest in OPM management and provide the tools managers need to maximize employee performance, improving OPM's score in dealing with poor performers by 4 percentage points.
- Objective 4.3: Exceed Government-wide average satisfaction for each agency mission support service.
- Objective 4.4: Improve retirement services by reducing the average time to answer calls to 5 minutes or less and average case processing times to 60 days or less.

Please refer to the "Performance Budget by Strategic Goal" section of this document for the planned actions, performance measures and targets, and responsible agency officials for each management priority and challenge.

## Evidence Building

OPM has integrated its discussion of evidence building into the "Performance Budget by Strategic Goal" section of this document. OPM's objective 2.1 is to "Improve collection and analysis of data to better inform human capital management decisions," and describes agency-wide next steps to build and use evidence to improve performance.

## Data Validation and Verification

An assessment by the Director of OPM of the reliability and completeness of performance data is included in the agency's Annual Performance Report, released concurrently with this Budget. The report also includes a "Data Validation and Verification" section that includes the steps OPM has taken to promote the accuracy and reliability of the data used to measure progress towards its performance goals, including an identification of the means used to verify and validate measured values, the sources of the data, and any limitations to the data.

**The following information is provided in compliance with The Good Accounting Obligation in Government Act (GAO-IG Act), Pub. L. No. 115-414, 132 Stat. 5430 (2019). It describes the agency's implementation status of each of GAO's recommendations to it that has been designated as "open" or "closed, unimplemented.**

# Table of Acronyms

ARC	Administrative Resource Center
ALJ	Administrative Law Judges
APGs	Agency Priority Goals
BPA	Blanket Purchase Agreement
CAP	Cross-Agency Priority
CFC	Combined Federal Campaign
CFR	Code of Federal Regulations
CHCO	Chief Human Capital Officer
CHCOC	Chief Human Capital Officers Council
CLIA	Congressional, Legislative and Inter-Governmental Affairs
CM IPS	Credit Monitoring & Identity Protection Services
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
CSRDF	Civil Services Retirement and Disability Fund
CSRS	Civil Service Retirement System
DCFSA	Dependent Care Flexible Spending Account
DCSA	Defense Counterintelligence and Security Agency
DOD	Department of Defense
DEIA	Diversity, Equity, Inclusion, and Accessibility
DISA	Defense Information Systems Agency
DITCO	Defensive Information Technology Contracting Organization
EEO	Equal Employment Opportunity
EHRI	Enterprise Human Resources Integration
EMDC	Eastern Management Development Center
eOPF	Electronic Official Personnel Folders
ES	Employee Services
ExecSec	Executive Secretariat
FAA	Federal Aviation Administration
FEDVIP	Federal Employees Dental and Vision Insurance Program
FEGLI	Federal Employees' Group Life Insurance
FEHB	Federal Employees Health Benefits Program
FEI	Federal Executive Institute
FERCCA	Federal Erroneous Retirement Coverage Correction Act
FERS	Federal Employees Retirement System
FFS	Federal Financial System
FHRI	Federal HR Institute
FLTCIP	Federal Long-Term Care Insurance Program
FMLA	Family and Medical Leave Act
FOIA	Information Management and Freedom of Information Act

FPRAC	Federal Prevailing Rate Advisory Committee
FRAE	Further Revised Annuity Employees
FSAFEDS	Flexible Spending Accounts for Federal Employees
FSC	Federal Staffing Center
FSEM	Facilities, Security, and Emergency Management
FTE	Full-time Equivalent
FY	Fiscal Year
GAO	Government Accountability Office
GPRA	Government Performance and Results Act
GSA	General Services Administration
HC	Human Capital
HCaTS	Human Capital and Training Solutions
HCBRM	Human Capital Business Reference Model
HCDMM	Human Capital Data Management and Modernization
HCFIBF	Human Capital Federal Integrated Framework
HCFSFA	Health Care Flexible Spending Accounts
HCIS	Human Capital Industry Solutions
HI	Healthcare and Insurance
HRIT	Human Resources Information Technology
HRLOB	Human Resource Line of Business
HRS	Human Resource Solutions
HRSES	Human Resources Strategy and Evaluation Solutions
ILDLP	International Leadership Development Program
IPS	Identity Protection Services
IT	Information Technology
LDS	Leadership for a Democratic Society
LEAD	Leadership Education and Development
LEX HCFSFA	Limited Expense Health Care Flexible Spending Account
MSAC	Merit System Accountability & Compliance
MSPB	Merit Systems Protection Board
NAPA	National Academy of Public Administration
NBIB	National Background Investigations Bureau
NDAA	National Defense Authorization Act
OC	Office of Communications
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
OD	Office of the Director
OES/ExecSec	Office of the Executive Secretariat
OGC	Office of the General Counsel
OIG	Office of the Inspector General
OLBP	Online Bill Pay
OMB	Office of Management and Budget

OPM	Office of Personnel Management
OPO	Office of Procurement Operations
OSDBU	Office of Small and Disadvantaged Business Utilization
OSI	Office of Strategy and Innovation
P.L.	Public Law
PAC	Performance Accountability Council
PMA	President's Management Agenda
PMO	Program Management Office
PPA	Plan Performance Assessment
QCR	Clinical Quality, Customer Service, and Resource Use
RAE	Revised Annuity Employees
REHB	Retired Employees Health Benefits
RS	Retirement Services
S&E	Salaries & Expenses
SES	Senior Executive Service
SSCLOB	Security, Suitability and Credentialing Line of Business
SuitEA	Suitability Executive Agent
TFM	Trust Funds Modernization
TSA	Transportation Security Administration
TSP	Thrift Savings Plan
U.S.C.	United States Code
VHA	Veterans Health Administration
WMDC	Western Management Development Center
WPR	Workforce Planning and Reshaping





# Appendix: GAO-IG Act Reporting for Budget Fiscal Year 2022

The Good Accounting Obligation in Government Act (GAO-IG Act, Pub. L. No. 115-414, 132 Stat. 5430 (2019)) requires each agency to include, in its annual budget justification, a report that identifies each public recommendation issued by the Government Accountability Office (GAO) and the agency's inspectors general (IGs) which has remained unimplemented for one year or more from the annual budget justification submission date. In addition, the Act requires a reconciliation between the agency records and the IGs' Semiannual Report to Congress (SAR). In compliance with the GAO-IG Act, OPM provides reports listing each public recommendation from GAO and OPM's Office of the Inspector General (OIG).

## **GAO Open Recommendations Report**

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Training Investments: Office of Personnel Management and Agencies Can Do More to Ensure Cost-Effective Decisions	GAO-12-878	9/17/2012	To improve federal training investment decision-making processes, the Director of OPM should include in existing or new OPM guidance or technical assistance additional information in the following areas: (1) Steps agencies should take and factors they should consider when prioritizing federal training investments agency-wide, including developing a process to rank training using criteria, such as expected demand for the investment from internal sources, availability of resources to support the effort, potential for increased revenue, and risk of unfavorable consequences if investments are not made. (2) Steps agencies should take and factors they should consider for comparing the merits of different delivery mechanisms and determining the mix of mechanisms to use, in order to ensure efficient and cost-effective delivery of federal training. Such guidance could include requesting that agencies consistently utilize Standard Form-182 to document and report training costs associated with the different delivery mechanisms employed. (Recommendation #1)	Open: OPM is presently reviewing evidence to be provided to GAO for closure.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Training Investments: Office of Personnel Management and Agencies Can Do More to Ensure Cost-Effective Decisions	GAO-12-878	9/17/2012	To improve federal training investment decision-making processes, the Director of OPM should, in line with statutory and regulatory provisions on maintenance and reporting of training information, work with the CHCO Council to improve the reliability of agency training investment information by: (1) ensuring that agencies are familiar with and follow guidance outlined in OPM's Guide for the Collection and Management of Training Information regarding which training events should be documented as training and reported to OPM; (2) developing policies to strengthen the utilization of Standard Form- 182 to document and report training costs; (3) encouraging agencies through guidance and technical assistance, to develop policies that require consistent reporting of training data to their learning management systems; and (4) encouraging each agency to assess its existing training information system(s) and identify whether it is providing complete and reliable data and, if not, to develop approaches to improve the system(s), in order to do so.	Open: OPM is presently reviewing evidence to be provided to GAO for closure.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Organizational Transformation: Enterprise Architecture Value Needs to Be Measured and Reported	GAO-12-791	9/26/2012	To enhance federal agencies' ability to realize enterprise architecture benefits, the Secretaries of the Departments of Agriculture, the Air Force, the Army, Commerce, Defense, Education, Energy, Homeland Security, the Interior, Labor, the Navy, State, Transportation, the Treasury, and Veterans Affairs; the Attorney General; the Administrators of the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, and Small Business Administration; the Commissioners of the Nuclear Regulatory Commission and Social Security Administration; and the Directors of the National Science Foundation and the Office of Personnel Management should fully establish an approach for measuring enterprise architecture outcomes, including a documented method (i.e., steps to be followed) and metrics that are measurable, meaningful, repeatable, consistent, actionable, and aligned with the agency's enterprise architecture's strategic goals and intended purpose. (Recommendation #24)	Open: OPM is continuing to work on actions for reporting enterprise outcomes and measures.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Organizational Transformation: Enterprise Architecture Value Needs to Be Measured and Reported	GAO-12-791	9/26/2012	To enhance federal agencies' ability to realize enterprise architecture benefits, the Secretaries of the Departments of Agriculture, the Air Force, the Army, Commerce, Defense, Education, Energy, Homeland Security, the Interior, Labor, the Navy, State, Transportation, the Treasury, and Veterans Affairs; the Attorney General; the Administrators of the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, and Small Business Administration; the Commissioners of the Nuclear Regulatory Commission and Social Security Administration; and the Directors of the National Science Foundation and the Office of Personnel Management should periodically measure and report enterprise architecture outcomes and benefits to top agency officials (i.e., executives with authority to commit resources or make changes to the program) and to OMB. (Recommendation #48)	Open: OPM is continuing to work on actions for reporting enterprise outcomes and measures.
Information Technology: Additional OMB and Agency Actions are Needed to Achieve Portfolio Savings	GAO-14-65	11/6/2013	To improve the agency's implementation of PortfolioStat, the Director of the Office of Personnel Management should direct the CIO to develop a complete commodity IT baseline. (Recommendation #42)	Open: OPM is continuing to complete corrective actions for the recommendation.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Technology: Additional OMB and Agency Actions are Needed to Achieve Portfolio Savings	GAO-14-65	11/6/2013	To improve the agency's implementation of PortfolioStat, in future reporting to OMB, the Director of the Office of Personnel Management should direct the CIO to fully describe the following PortfolioStat action plan elements: (1) move at least two commodity IT areas to shared services and (2) target duplicative systems or contracts that support common business functions for consolidation. (Recommendation #43)	Open: OPM anticipates providing the evidence to close this recommendation later this fiscal year.
Information Technology: Additional OMB and Agency Actions are Needed to Achieve Portfolio Savings	GAO-14-65	11/6/2013	To improve the agency's implementation of PortfolioStat, the Director of the Office of Personnel Management should direct the CIO to report on the agency's progress in consolidating the help desk consolidation and IT asset inventory to shared services as part of the OMB integrated data collection quarterly reporting until completed. (Recommendation #44)	Open: OPM anticipates providing the evidence to close this recommendation later this fiscal year.
Federal Software Licenses: Better Management Needed to Achieve Significant Savings Government-Wide	GAO-14-413	5/22/2014	To ensure the effective management of software licenses, the Director of the Office of Personnel Management should develop an agency-wide comprehensive policy for the management of software licenses that addresses the weaknesses we identified. (Recommendation #114)	Open: OPM is continuing to complete corrective actions for the recommendation.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Software Licenses: Better Management Needed to Achieve Significant Savings Government-Wide	GAO-14-413	5/22/2014	To ensure the effective management of software licenses, the Director of the Office of Personnel Management should employ a centralized software license management approach that is coordinated and integrated with key personnel for the majority of agency software license spending and/or enterprise-wide licenses. (Recommendation #115)	Open: OPM is continuing to complete corrective actions for the recommendation.
Federal Software Licenses: Better Management Needed to Achieve Significant Savings Government-Wide	GAO-14-413	5/22/2014	To ensure the effective management of software licenses, the Director of the Office of Personnel Management should provide software license management training to appropriate agency personnel addressing contract terms and conditions, negotiations, laws and regulations, acquisition, security planning, and configuration management. (Recommendation #119)	Open: OPM continues to work on implementing actions to address this recommendation.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Human Capital: OPM Needs to Improve the Design, Management, and Oversight of the Federal Classification System	GAO-14-677	7/31/2014	Priority Recommendation: To improve the classification system and to strengthen OPM's management and oversight, the Director of OPM, working through the Chief Human Capital Officer Council, and in conjunction with key stakeholders such as the Office of Management and Budget, unions, and others, should use prior studies and lessons learned from demonstration projects and alternative systems to examine ways to make the GS system's design and implementation more consistent with the attributes of a modern, effective classification system. To the extent warranted, develop a legislative proposal for congressional consideration. (Recommendation #1)	Open: To fully implement this recommendation, OPM is continuing to work in conjunction with key stakeholders such as OMB and unions to develop a legislative proposal to make the GS system's design and implementation more consistent with the attributes of a modern, effective classification system.
Human Capital: OPM Needs to Improve the Design, Management, and Oversight of the Federal Classification System	GAO-14-677	7/31/2014	To improve the classification system and to strengthen OPM's management and oversight, the Director of OPM should develop cost-effective mechanisms to oversee agency implementation of the classification system as required by law, and develop a strategy to systematically track and prioritize updates to occupational standards. (Recommendation #2)	Closed – Not Implemented: No work is in progress and none is planned.



Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Human Capital: OPM Needs to Improve the Design, Management, and Oversight of the Federal Classification System	GAO-14-677	7/31/2014	To improve the classification system and to strengthen OPM's management and oversight, the Director of OPM should develop cost-effective mechanisms to oversee agency implementation of the classification system as required by law, and develop a strategy that will enable OPM to more effectively and routinely monitor agencies' implementation of classification standards. (Recommendation #3)	Open: Corrective actions to address this recommendation are being re-evaluated.
Federal Paid Administrative Leave: Additional Guidance Needed to Improve OPM Data	GAO-15-79	10/17/2014	To help ensure that agencies report comparable and reliable data to Enterprise Human Resources Integration (EHRI), the Director of OPM, in coordination with agencies and payroll service providers, should develop guidance for agencies on which activities to enter, or not enter, as paid administrative leave in agency time and attendance systems. (Recommendation #1)	Open: OPM is continuing to work on providing appropriate guidance to ensure proper leave administration. with agencies to ensure proper categorization of leave occurs.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Paid Administrative Leave: Additional Guidance Needed to Improve OPM Data	GAO-15-79	10/17/2014	To help ensure that agencies report comparable and reliable data to EHRI, the Director of OPM, in coordination with agencies and payroll service providers, should provide updated and specific guidance to payroll service providers on which activities to report, or not report, to the paid administrative leave data element in EHRI. (Recommendation #2)	Open: OPM is continuing to finalize regulations on the remaining administrative leave categories.
Federal Workforce: OPM and Agencies Need to Strengthen Efforts to Identify and Close Mission-Critical Skill Gaps	GAO-15-223	1/30/2015	Priority Recommendation: To ensure that OPM builds the predictive capacity to identify emerging skills gaps across the government--including the ability to collect and use reliable information on the competencies of the federal workforce for government-wide workforce analysis--the Director of OPM should (1) establish a schedule specifying when OPM will modify its Enterprise Human Resources Integration database to capture staffing data that it currently collects from agencies through its annual workforce data reporting process; and (2) work with agency CHCOs to bolster the ability of agencies to assess workforce competencies by sharing competency surveys, lessons learned, and other tools and resources. (Recommendation #2)	Open: OPM has sent supporting documentation to GAO to close this recommendation in April 2021. OPM is waiting for GAO feedback.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Technology Reform: Billions of Dollars in Savings Have Been Realized, but Agencies Need to Complete Reinvestment Plans	GAO-15-617	9/15/2015	To improve the agency's IT savings reinvestment plans, the Director of the Office of Personnel Management should direct the CIO, as part of any future update to the agency's IRM strategic plan or equivalent document, to include information regarding the approach to reinvesting savings from the consolidation of commodity IT resources (including data centers) in accordance with OMB's guidance. (Recommendation #22)	Open: OPM's continues to work on updating its Strategic IT Plan and intends to include reinvestment language as part of the update.
National Security Personnel: Committed Leadership is Needed for Implementation of Interagency Rotation Program	GAO-16-57	11/17/2015	To provide greater assurance that the Interagency Rotation Program for national security personnel will be implemented as provided in section 1107 of the National Defense Authorization Act for Fiscal Year 2013, the Director of the Office of Personnel Management, in collaboration with the Committee on National Security Personnel, should establish a clear leadership and oversight structure to guide future implementation efforts. (Recommendation #1)	Open: OPM partially concurred with the recommendation is continuing to take actions to address this recommendation.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
National Security Personnel: Committed Leadership is Needed for Implementation of Interagency Rotation Program	GAO-16-57	11/17/2015	To provide greater assurance that the Interagency Rotation Program for national security personnel will be implemented as provided in section 1107 of the National Defense Authorization Act for Fiscal Year 2013, the Director of the Office of Personnel Management, in collaboration with the Committee on National Security Personnel, should work with the departments and agencies to identify and take action on necessary next steps to proceed with the program's implementation, including developing and issuing required guidance for implementation within identified timeframes. (Recommendation #2)	Open: OPM partially concurred with the recommendation is continuing to take actions to address this recommendation.
Information Security: Agencies Need to Improve Controls over Selected High-Impact Systems	GAO-16-501	5/18/2016	To improve agency information security programs, Acting Director of the Office of Personnel Management should provide and track specialized training for all individuals, including contractors, who have significant security responsibilities.	Open: OPM is continuing to work on corrective actions.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Hiring: OPM Needs to Improve Management and Oversight of Hiring Authorities	GAO-16-521	8/2/2016	<p>Priority Recommendation: To help strengthen the government's ability to compete in the labor market for top talent, and to improve the federal hiring process, the Director of OPM, in conjunction with the CHCO Council, should use this information to determine whether opportunities exist to refine, consolidate, eliminate, or expand agency-specific authorities to other agencies and implement changes where OPM is authorized, including seeking presidential authorization (as necessary) in order to do so. In cases where legislation would be necessary to implement changes, OPM should work with the CHCO Council to develop legislative proposals.</p> <p>(Recommendation #2)</p>	<p>Open: OPM continues to seek ways to improve hiring by exploring changes to various flexibilities such as Pathways programs and student employment, reemploying former employees, employing military spouses, and hiring individuals for seasonal employment.</p>

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Technology: Agencies Need to Improve Their Application Inventories to Achieve Additional Savings	GAO-16-511	9/29/2016	To improve federal agencies' efforts to rationalize their portfolio of applications, the heads of the Departments of Agriculture, Commerce, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, State, Transportation, the Treasury, and Veterans Affairs; and heads of the Environmental Protection Agency; National Aeronautics and Space Administration; National Science Foundation; Nuclear Regulatory Commission; Office of Personnel Management; Small Business Administration; Social Security Administration; and U.S. Agency for International Development should direct their Chief Information Officers (CIOs) and other responsible officials to improve their inventories by taking steps to fully address the practices we identified as being partially met or not met. (Recommendation #20)	Open: OPM continues to fully implement software application inventory practices.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Human Resources Data: OPM Should Improve the Availability of Reliability of Payroll Data to Support Accountability and Workforce Analytics	GAO-17-127	10/7/2016	Priority Recommendation: To support its strategic and open data goals, the Director of OPM should improve the availability of the EHRI payroll data--for example, by preparing the data for analytics, making them available through online tools such as FedScope, and including them among the EHRI data sources on the OPM website and Data.gov. (Recommendation #1)	Open: OPM continues explore corrective actions to make better use of payroll data.
Federal Human Resources Data: OPM Should Improve the Availability of Reliability of Payroll Data to Support Accountability and Workforce Analytics	GAO-17-127	10/7/2016	Priority Recommendation: To improve internal controls for data quality, the Director of OPM should consistently monitor system-generated error and edit check reports and ensure that timely action is taken to address identified issues. (Recommendation #3)	Open: OPM is continuing to focus on improving quality reports and provider management services so that SSPs can address quality issues at the source.
Federal Human Resources Data: OPM Should Improve the Availability of Reliability of Payroll Data to Support Accountability and Workforce Analytics	GAO-17-127	10/7/2016	To integrate the payroll data into the larger suite of EHRI databases, the Director of OPM should develop a schedule for executing these plans. (Recommendation #4)	Open: OPM is reviewing actions for integrating payroll into the larger suite of EHRI databases.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Human Resources Data: OPM Should Improve the Availability of Reliability of Payroll Data to Support Accountability and Workforce Analytics	GAO-17-127	10/7/2016	To integrate the payroll data into the larger suite of EHRI databases, the Director of OPM should evaluate existing internal control activities and develop new control activities for EHRI payroll data, such as implementing transactional edit checks that leverage the information in the other EHRI datasets. (Recommendation #5)	Open: OPM is reviewing potential actions for Payroll data, the control activities and edit checks that are currently used to support the reliability of the other EHRI datasets.
Federal Telework: Additional Controls Could Strengthen Telework Program Compliance	GAO-17-247	2/17/2107	To provide additional guidance to agencies and encourage the elimination of barriers to increased telework opportunities consistent with the act, and to ensure the accuracy of telework information OPM annually reports to Congress, the Director of OPM should strengthen controls for reviewing, validating, and reporting telework data in annual <i>Status of Telework in the Federal Government</i> reports. Specifically, OPM should follow up with agency officials on data outliers, including significant changes in year-to-year data. (Recommendation #10)	Open: OPM had requested that this recommendation be closed as unimplemented. GAO decided to keep this recommendation open.



Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Security: OPM Has Improved Controls, but Further Efforts are Needed	GAO-17-614	8/3/2017	Priority Recommendation: To further improve security over personnel and other sensitive information at the agency, the Acting Director of OPM should improve the timeliness of validating evidence associated with actions taken to address the US-CERT recommendations. (Recommendation #2)	Open: OPM continues to explore the corrective actions needed to address this recommendation.
Information Security: OPM Has Improved Controls, but Further Efforts are Needed	GAO-17-614	8/3/2017	Priority Recommendation: To further improve security over personnel and other sensitive information at the agency, the Acting Director of OPM should develop and implement role-based training requirements for staff using Continuous Diagnostics and Mitigation tools. (Recommendation #4)	Open: OPM is currently working on corrective actions.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
<p>Data Center Optimization: Agencies Need to Address Challenges and Improve Progress to Achieve Cost Savings Goals</p>	<p>GAO-17-448</p>	<p>8/15/2017</p>	<p>The Secretaries of Agriculture, Commerce, Defense, Homeland Security, Energy, HHS, Interior, Labor, State, Transportation, Treasury, and VA; the Attorney General of the United States; the Administrators of EPA, GSA, and SBA; the Director of OPM; and the Chairman of NRC should take action to, within existing OMB reporting mechanisms, complete plans describing how the agency will achieve OMB's requirement to implement automated monitoring tools at all agency-owned data centers by the end of fiscal year 2018. (Recommendation #19)</p>	<p>Open: OPM partially concurred with this recommendation. OPM continues to take action on consolidating its data centers along with implementing automated monitoring tools in the data centers.</p>
<p>Small Business Contracting: Actions Needed to Demonstrate and Better Review Compliance with Select Requirements for Small Business Advocates</p>	<p>GAO-17-675</p>	<p>8/25/2017</p>	<p>To address demonstrated noncompliance with section 15(k) of the Small Business Act, as amended, the Director of the Office of Personnel Management should comply with sections 15(k)(2), (k)(8), and (k)(17) or report to Congress on why the agency has not complied, including seeking any statutory flexibilities or exceptions believed appropriate. (Recommendation #17)</p>	<p>Open: OPM is continuing to work on determining what correction actions will be taken.</p>

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Technology Reform: Agencies Need to Improve Certification of Incremental Development	GAO-18-148	11/7/2017	The Director of the Office of Personnel Management (OPM) should ensure that the CIO of OPM updates the agency's policy and process for the CIO's certification of major IT investments' adequate use of incremental development, in accordance with OMB's guidance on the implementation of FITARA, and confirm that it includes a description of the CIO's role in the certification process and a description of how CIO certification will be documented. (Recommendation 16)	Open: OPM continues to corrective actions to address this recommendation.
Federal Pay: Opportunities Exist to Enhance Strategic Use of Special Payments	GAO-18-91	12/7/2017	Priority Recommendation: The Director of OPM, together with the CHCO Council, should track government-wide data to establish a baseline and analyze the extent to which the seven Title 5 special payment authorities are effective in improving employee recruitment and retention, and determine what potential changes may be needed to improve the seven authorities' effectiveness. (Recommendation 1)	Open: GAO has supplied supporting documentation to close this recommendation. OPM is waiting for GAO feedback.
Federal Pay: Opportunities Exist to Enhance Strategic Use of Special Payments	GAO-18-91	12/7/2017	The Director of OPM, together with the CHCO Council, should provide guidance on assessing effectiveness and tools--such as best practices or frequently asked questions--for the range of Title 5 special payment authorities. (Recommendation 2)	Open: GAO has supplied supporting documentation to close this recommendation. OPM is waiting for GAO feedback.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Pay: Opportunities Exist to Enhance Strategic Use of Special Payments	GAO-18-91	12/7/2017	The Director of OPM should establish documented procedures to assess special payment authority requests requiring OPM approval and periodically review approval procedures to consider ways to streamline them. (Recommendation 3)	Open: OPM has provided the supporting documentation that addresses the intent of this recommendation and has requested closure. OPM is waiting for GAO feedback.
Information Technology: Agencies need to Involve Chief Information Officers in Reviewing Billions of Dollars in Acquisitions	GAO-18-42	1/10/2018	The Director of the Office of Personnel Management should ensure that IT acquisition plans or strategies are reviewed and approved according to OMB's guidance. (Recommendation 34)	Open: OPM continues with actions to evaluate the OPM IT human capital, architecture, and governance processes.
Improper Payments: Actions and Guidance Could Help Address Issues and Inconsistencies in Estimation Process	GAO-18-377	5/31/2018	The Director of OPM should assess the processes to estimate Retirement improper payments to determine whether they effectively address key risks of improper payments--including eligibility and whether older claims face different risks of improper payments than new claims--and take steps to update the processes to incorporate key risks that are not currently addressed. (Recommendation 4)	Open: OPM provided supporting documentation of actions taken and requested closure of this recommendation in April 2021. OPM is waiting for feedback from GAO.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Employee Misconduct: Actions Needed to Ensure Agencies Have Tools to Effectively Address Misconduct	GAO-18-48	7/16/2018	Priority Recommendation: The Director of OPM, after consultation with the CHCO Council, should provide guidance to agencies to enhance the training received by managers/supervisors and human capital staff to ensure that they have the guidance and technical assistance they need to effectively address misconduct and maximize the productivity of their workforces. (Recommendation 3)	Open: OPM continues to take steps to address this recommendation.
Federal Chief Information Officers: Critical Actions Needed to Address Shortcomings and Challenges in Implementing Responsibilities	GAO-18-93	8/2/2018	The Director of the Office of Personnel Management should ensure that the agency's IT management policies address the role of the CIO for key responsibilities in the five areas we identified. (Recommendation 24)	Open: OPM continues to take steps to address this recommendation.
Federal Workforce: Opportunities Exist for OPM to Further Innovation in Performance Management	GAO-19-35	11/20/2018	Priority Recommendation: The Director of OPM, in consultation with the CHCO Council, should develop and implement a mechanism for agencies to routinely and independently share promising practices and lessons learned, such as through allowing agencies to post such information on OPM's Performance Management portal. (Recommendation 2)	Open: OPM continues to take steps to address this recommendation.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Workforce: Opportunities Exist for OPM to Further Innovation in Performance Management	GAO-19-35	11/20/2018	Priority Recommendation: The Director of OPM, in consultation with the CHCO Council, should develop a strategic approach for identifying and sharing emerging research and innovations in performance management. (Recommendation 3)	Open: OPM continues to take steps to address this recommendation.
Data Center Optimization: Additional Agency Actions Needed to Meet OMB Goals	GAO-19-241	4/11/2019	The Director of OPM should take action to meet the data center optimization metric targets established under DCOI by OMB. (Recommendation 32)	Open: OPM met its fiscal year 2020 targets for three of the four data center optimization metrics. OPM continues to work on actions to be able to meet the final metric.
Federal Retirement: OPM Actions Needed to Improve Application Processing Times	GAO-19-217	6/14/2019	Priority Recommendation: The Associate Director of OPM's Retirement Services, working in coordination with the Chief Information Officer, should develop, document, and implement a Retirement Services IT modernization plan for initial project phases that is consistent with key aspects of IT project management, such as determining objectives, costs, and time frames for each initial phase. (Recommendation 1)	Open: OPM is continuing the development and validation of the Retirement Services IT Modernization plan.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Retirement: OPM Actions Needed to Improve Application Processing Times	GAO-19-217	6/14/2019	The Associate Director of OPM's Retirement Services should adopt management practices to enhance the use of performance information on processing timeliness to inform how OPM manages operations, identifies problem areas, and allocates resources. For example, OPM could enhance use of performance measures at the operational level or establish a timeliness performance goal for reviewing disability retirement eligibility. (Recommendation 2)	Open: OPM partially concurred with this recommendation and continues to evaluate corrective actions.
Federal Retirement: OPM Actions Needed to Improve Application Processing Times	GAO-19-217	6/14/2019	The Associate Director of OPM's Retirement Services should develop and implement policies and procedures for assessing strategies intended to improve processing times, including collecting and improving data needed to support those strategies, such as collecting better productivity data or staffing data and linking them to processing outcomes. (Recommendation 4)	Open: OPM is continuing its review and update the requirements for the case management system.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Federal Retirement: OPM Actions Needed to Improve Application Processing Times	GAO-19-217	6/14/2019	The Associate Director of OPM's Retirement Services should examine its process for assessing its assistance to agencies on retirement applications. For example, OPM could incorporate into its assessment process more agency feedback or documentation of assessment results, which could improve its partnership with agencies to strengthen the assistance provided. (Recommendation 5)	Open: OPM is continuing to determine actions to address this recommendation.
Federal Retirement: OPM Actions Needed to Improve Application Processing Times	GAO-19-217	6/14/2019	The Associate Director of OPM's Retirement Services should work with agencies to determine if there are cost-effective ways to make the retirement application error report that it sends to agencies more user-friendly. For example, explore whether there are cost-effective ways to provide the error report in a format that could be manipulated (e.g., Excel spreadsheet), or to include additional information, such as incorporating disability retirement applications or providing clearer descriptions of errors or trend data, some of which OPM already collects. (Recommendation 6)	Open: OPM is continuing to determine actions to address this recommendation.
Cybersecurity: Agencies Need to Fully Establish Risk Management Programs and Address Challenges	GAO-19-384	7/25/2019	Priority Recommendation: The Director of OPM should establish a process for conducting an organization-wide cybersecurity risk assessment. (Recommendation 54)	Open: OPM notes that this project is currently on hold and will resume activities when resources are available.



Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Cybersecurity: Agencies Need to Fully Establish Risk Management Programs and Address Challenges	GAO-19-384	7/25/2019	The Director of the Office of Personnel Management (OPM) should update the agency's policies to require (1) an organization-wide cybersecurity risk assessment and (2) the use of risk assessments to inform control tailoring. (Recommendation 53)	Open: OPM plans to update its policies to address the missing elements and complete the required actions.
Information Technology: Agencies Need to Fully Implement Key Workforce Planning Activities	GAO-20-129	10/30/2019	Priority Recommendation: The Director of the Office of Personnel Management should ensure that the agency fully implements each of the eight key IT workforce planning activities it did not fully implement. (Recommendation 15)	Open: OPM is continuing to determine actions to address this recommendation.
Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements	GAO-20-59	2/27/2020	The Director of the Office of Personnel Management should establish a time frame to ensure that all records schedules are up-to-date and submitted to NARA. The schedules should include all required information, including when eligible temporary records must be destroyed or deleted and when permanent records are to be transferred to NARA. (Recommendation #30)	Open: OPM provided supporting documentation to close this recommendation in March 2021. GAO rejected the closure due to timeframes identified not being met. OPM is working on determining updated timelines.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements	GAO-20-59	2/27/2020	The Director of the Office of Personnel Management should establish a time frame to develop an inventory of electronic information systems used to store agency records that includes all of the required elements. (Recommendation #31)	Open: The Office of Personnel Management concurred with this recommendation. OPM is working on actions to establish appropriate timeframes.
Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements	GAO-20-59	2/27/2020	The Director of the Office of Personnel Management should establish a time frame to develop a plan to manage permanent electronic records. (Recommendation #32)	Open: OPM provided supporting documentation to close this recommendation in March 2021. GAO rejected the closure due to timeframes identified not being met. OPM is working on determining updated timelines.
Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements	GAO-20-59	2/27/2020	The Director of the Office of Personnel Management should establish a time frame to update its policies and procedures to include all of the required electronic information system functionalities for recordkeeping systems. (Recommendation #33)	Open: The Office of Personnel Management concurred with this recommendation. OPM is working on actions to establish appropriate timeframes.

Report Title	Report Number	Issue Date	GAO Recommendation	Implementation Status
Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements	GAO-20-59	2/27/2020	The Director of the Office of Personnel Management should establish a time frame to update the agency's policies and procedures on retention and management for email to include retaining electronic calendars and draft documents. (Recommendation #34)	Open: The Office of Personnel Management concurred with this recommendation. OPM is working on actions to establish appropriate timeframes.





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**U.S. OFFICE OF PERSONNEL MANAGEMENT  
OFFICE OF THE INSPECTOR GENERAL**

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# Open Recommendations

**Open Recommendations Over Six Months Old as of  
September 30, 2020**

**November 30, 2020**

# EXECUTIVE SUMMARY

*Open Recommendations Over Six Months Old as of  
September 30, 2020*

November 30, 2020

## Why Did We Prepare This Report?

Under the Inspector General Act of 1978, as amended by the Inspector General Empowerment Act of 2016, each Office of the Inspector General (OIG) is required to include in its Semiannual Report to Congress certain information related to outstanding recommendations. These reporting requirements were inspired by prior standing requests for information submitted to all OIGs by the Senate Committee on Homeland Security and Governmental Affairs, the House Committee on Oversight and Government, and Senator Charles Grassley.

This report was prepared to both fulfill the OIG's reporting obligation under the Inspector General Act as well as to continue providing the previously-requested information to Congress.

**NORBERT VINT**

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**Norbert E. Vint**  
*Deputy Inspector General Performing  
the Duties of the Inspector General*

As of September 30, 2020, there were 398 unimplemented recommendations, 208 of which are considered unique, contained in reports that the OIG had issued to the U.S. Office of Personnel Management over six months old.

Type of Report	# of Reports with Open Recs.	Total # Recs. Made	# Open Recs. as of 9/30/20	# Unique Recs. as of 9/30/20
Internal Audits	23	206	126	80
Information Systems Audits	27	480	254	110
Claim Audits and Analytics	2	22	2	2
Other Insurance Audits	1	5	3	3
Evaluations	4	16	11	11
Management Advisories	1	2	2	2
<b>Total</b>	<b>58</b>	<b>731</b>	<b>398</b>	<b>208</b>

Below is a chart showing the number of open procedural and monetary recommendations for each report type:

Type of Report	Procedural	Monetary	Value of Monetary Recs.*
Internal Audits	125	1	\$109 M
Information Systems Audits	254	0	\$0
Claim Audits and Analytics	0	2	\$1 M
Other Insurance Audits	3	0	0
Evaluations	11	0	0
Management Advisories	2	0	0
<b>Total</b>	<b>395</b>	<b>3</b>	<b>\$110 M</b>

\*Totals are rounded.

# ABBREVIATIONS

<b>AFR</b>	<b>Annual Financial Report</b>
<b>AUP</b>	<b>Agreed-Upon Procedures</b>
<b>BCBS</b>	<b>BlueCross BlueShield</b>
<b>COB</b>	<b>Coordination of Benefits</b>
<b>FAR</b>	<b>Federal Acquisition Regulation</b>
<b>FEDVIP</b>	<b>Federal Employees Dental/Vision Insurance Program</b>
<b>FEHBP</b>	<b>Federal Employees Health Benefits Program</b>
<b>FEP</b>	<b>BCBS's Federal Employee Program</b>
<b>FERS</b>	<b>Federal Employees Retirement System</b>
<b>FISMA</b>	<b>Federal Information Security Management Act</b>
<b>FLTCIP</b>	<b>Federal Long-Term Care Insurance Program</b>
<b>FSAFEDS</b>	<b>Federal Flexible Spending Account Program</b>
<b>FY</b>	<b>Fiscal Year</b>
<b>GSA</b>	<b>General Services Administration</b>
<b>HRS</b>	<b>Human Resources Solutions</b>
<b>IOC</b>	<b>OPM's Internal Oversight and Compliance office</b>
<b>IPERA</b>	<b>Improper Payments Elimination and Recovery Act</b>
<b>IT</b>	<b>Information Technology</b>
<b>LII</b>	<b>Lost Investment Income</b>
<b>N/A</b>	<b>Not Applicable</b>
<b>OBRA 90</b>	<b>Omnibus Budget Reconciliation Act of 1990</b>
<b>OCFO</b>	<b>Office of the Chief Financial Officer</b>
<b>OCIO</b>	<b>Office of the Chief Information Officer</b>
<b>OIG</b>	<b>Office of the Inspector General</b>
<b>OPM</b>	<b>U.S. Office of Personnel Management</b>
<b>OPO</b>	<b>Office of Procurement Operations</b>
<b>PBM</b>	<b>Pharmacy Benefit Manager</b>
<b>POA&amp;M</b>	<b>Plan of Action and Milestones</b>
<b>RS</b>	<b>Retirement Services</b>
<b>SAA</b>	<b>Security Assessment and Authorization</b>
<b>VA</b>	<b>U.S. Department of Veterans Affairs</b>

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# I. INTERNAL AUDITS

This section describes the open recommendations from audits conducted by the Internal Audits Group. This group conducts audits of internal OPM programs and operations.

<b>Title: Audit of the Fiscal Year 2008 Financial Statements</b> <b>Report #: 4A-CF-00-08-025</b> <b>Date: November 14, 2008</b>		
<b>Rec. #1</b>	<b>Finding</b>	<u>Information Systems General Control Environment</u> –Security policies and procedures have not been updated to incorporate current authoritative guidance and the procedures performed to certify and accredit certain financial systems were not complete. In addition, it was noted that application access permissions have not been fully documented to describe the functional duties the access provides to assist management in reviewing the appropriateness of system access. Also, there were instances where background investigations and security awareness training was not completed prior to access being granted.
	<b>Recommendation</b>	The OCIO should continue to update and implement entity-wide security policies and procedures and provide more direction and oversight to Program Offices for completing certification and accreditation requirements. In addition, documentation on application access permissions should be enhanced and linked with functional duties and procedures for granting logical access need to be refined to ensure access is granted only to authorized individuals.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of the Fiscal Year 2009 Financial Statements****Report #: 4A-CF-00-09-037****Date: November 13, 2009**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Systems General Control Environment</u> – Information system general control deficiencies identified in previous years related to OPM and its programs continue to persist or have not been fully addressed and consequently are not in full compliance with authoritative guidance.
	<b>Recommendation</b>	KPMG, the independent public accountant employed by OPM to conduct the financial statement audit, recommends that the Office of the Chief Information Officer should continue to update and implement entity-wide policies and procedures and provide more direction and oversight to Program Offices for completing and appropriately overseeing certification and accreditation requirements and activities. In addition, documentation on application access permissions should be enhanced and linked with functional duties and procedures for granting logical and physical access needs to be refined to ensure access is granted only to authorized individuals. Finally, policies and procedures should be developed and implemented to ensure POA&Ms are accurate & complete.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of the Fiscal Year 2010 Financial Statements****Report #: 4A-CF-00-10-015****Date: November 10, 2010**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Systems General Control Environment</u> – Deficiencies in OPM's and the Programs' information system general controls that were identified and reported as a significant deficiency in previous years continue to persist. Although changes in information system management during this fiscal year, including the appointment of a new Chief Information Officer (CIO) and Senior Agency Information Security Officer, have resulted in plans to address these weaknesses, these plans have not yet been fully executed to resolve long-standing deficiencies in OPM's security program.
	<b>Recommendation</b>	KPMG recommends that the CIO develop and promulgate entity-wide security policies and procedures and assume more responsibility for the coordination and oversight of Program Offices in completing certification and accreditation and other information security requirements and activities.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Continued: Audit of the Fiscal Year 2010 Financial Statements**

<b>Rec. #2</b>	<b>Finding</b>	<u>Information Systems General Control Environment</u> – See number 1 above.
	<b>Recommendation</b>	KPMG recommends that the CIO identify common controls, control responsibilities, boundaries and interconnections for information systems in its system inventory.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.
<b>Rec. #3*</b>	<b>Finding</b>	<u>Information Systems General Control Environment</u> – See number 1 above
	<b>Recommendation</b>	KPMG recommends that the CIO implement a process to ensure the POA&Ms remain accurate and complete.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Stopping Improper Payments to Deceased Annuitants**

**Report #: 1K-RS-00-11-068**

**Date: September 14, 2011**

<b>Rec. #1</b>	<b>Finding</b>	<u>Tracking of Undeliverable IRS Form 1099Rs</u> – OPM does not track undeliverable IRS Form 1099Rs to determine if any annuitants in the population of returned 1099Rs could be deceased.
	<b>Recommendation</b>	The OIG recommends that OPM annually track and analyze returned Form 1099Rs for the prior tax year. Performing this exercise provides OPM with the opportunity to identify deceased annuitants whose death has not been reported; continue to update the active annuity roll records with current address information; and to correct other personal identifying information. In addition, the returned Form 1099Rs should be matched against the SSA Death Master File annually.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	Potentially significant detection of and reduction in improper payments.
	<b>Other Nonmonetary Benefit</b>	Updated annuity roll records.

\* represents repeat recommendations.

***Continued: Stopping Improper Payments to Deceased Annuitants***

<b>Rec. #2</b>	<b><i>Finding</i></b>	<u>Capitalizing on Retirement Systems Modernization (RSM) Technology</u> – A modernized environment offers opportunities to reduce instances of fraud, waste, and abuse of the retirement trust fund.
	<b><i>Recommendation</i></b>	The OIG recommends that OPM actively explore the capabilities of any automated solution to flag records and produce management reports for anomalies or suspect activity, such as multiple address or bank account changes in a short time.
	<b><i>Status</i></b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved detection of potential improper payments.

**Title: Audit of the Fiscal Year 2011 Financial Statements**

**Report #: 4A-CF-00-11-050**

**Date: November 14, 2011**

<b>Rec. #1</b>	<b><i>Finding</i></b>	<u>Information Systems Control Environment</u> - Significant deficiencies still remain in OPM’s ability to identify, document, implement, and monitor information system controls.
	<b><i>Recommendation</i></b>	KPMG recommends that the OPM Director in coordination with the CIO and system owners, including the Chief Financial Officer and system owners in Program offices, ensure that resources are prioritized and assigned to address the information system control environment weaknesses.
	<b><i>Status</i></b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of the Fiscal Year 2012 Financial Statements****Report #: 4A-CF-00-12-039****Date: November 15, 2012**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> - Significant deficiencies still remain in OPM's ability to identify, document, implement, and monitor information system controls.
	<b>Recommendation</b>	KPMG recommends that the OPM Director in coordination with the CIO and system owners, including the Chief Financial Officer and system owners in Program offices, ensure that resources are prioritized and assigned to address the information system control environment weaknesses.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of OPM's Fiscal Year 2013 Financial Statements****Report #: 4A-CF-00-13-034****Date: December 13, 2013**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> - Significant deficiencies still remain in OPM's ability to identify, document, implement, and monitor information system controls.
	<b>Recommendation</b>	KPMG recommends that the OPM Director in coordination with the CIO and system owners, including the Chief Financial Officer and system owners in Program offices, ensure that resources are prioritized and assigned to address the information system control environment weaknesses.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of OPM’s Fiscal Year 2014 Financial Statements**

**Report #: 4A-CF-00-14-039**

**Date: November 10, 2014**

<b>Rec. #1</b>	<b><i>Finding</i></b>	<u>Information Systems Control Environment</u> - Significant deficiencies still remain in OPM’s ability to identify, document, implement, and monitor information system controls.
	<b><i>Recommendation</i></b>	KPMG recommends that the OPM Director in coordination with the CIO and system owners, including the Chief Financial Officer and system owners in Program offices, ensure that resources are prioritized and assigned to implement the current authoritative guidance regarding two-factor authentication.
	<b><i>Status</i></b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.
<b>Rec. #2</b>	<b><i>Finding</i></b>	<u>Information Systems Control Environment</u> - Access rights in OPM systems are not documented and mapped to personnel roles and functions to ensure that personnel access is limited only to the functions needed to perform their job responsibilities.
	<b><i>Recommendation</i></b>	KPMG recommends that the OPM Director in coordination with the CIO and system owners, including the Chief Financial Officer and system owners in Program offices, ensure that resources are prioritized and assigned to document and map access rights in OPM systems to personnel roles and functions, following the principle of “least privilege.”
	<b><i>Status</i></b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Continued: Audit of OPM's Fiscal Year 2014 Financial Statements**

<b>Rec. #3</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> - The information security control monitoring program was not fully effective in detecting information security control weaknesses. We noted access rights in OPM systems were: <ul style="list-style-type: none"> <li>Granted to new users without following the OPM access approval process and quarterly reviews to confirm access approval were not consistently performed.</li> <li>Not revoked immediately upon user separation and quarterly reviews to confirm access removal were not consistently performed.</li> </ul>
	<b>Recommendation</b>	KPMG recommends that the OPM Director in coordination with the CIO and system owners, including the Chief Financial Officer and system owners in Program offices, ensure that resources are prioritized and assigned to enhance OPM's information security control monitoring program to detect information security control weakness by: <ul style="list-style-type: none"> <li>Implementing and monitoring procedures to ensure system access is appropriately granted to new users, consistent with the OPM access approval process.</li> <li>Monitoring the process for the identification and removal of separated users to ensure that user access is removed timely upon separation; implementing procedures to ensure that user access, including user accounts and associated roles, are reviewed on a periodic basis consistent with the nature and risk of the system, and modifying any necessary accounts when identified.</li> </ul>
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of OPM's Fiscal Year 2015 Financial Statements**

**Report #: 4A-CF-00-15-027**

**Date: November 13, 2015**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> - The current authoritative guidance regarding two-factor authentication has not been fully applied.
	<b>Recommendation</b>	KPMG recommends that the OCIO fully implement the current authoritative guidance regarding two-factor authentication.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

\* represents repeat recommendations.



**Continued: Audit of OPM's Fiscal Year 2015 Financial Statements**

<b>Rec. #2*</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> - Access rights in OPM systems are not documented and mapped to personnel roles and functions to ensure that personnel access is limited only to the functions needed to perform their job responsibilities.
	<b>Recommendation</b>	KPMG recommends that the OCIO document and map access rights in OPM systems to personnel roles and functions, following the principle of "least privilege".
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.
<b>Rec. #3*</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> - The information security control monitoring program was not fully effective in detecting information security control weaknesses. We noted access rights in OPM systems were: <ul style="list-style-type: none"> <li>• Granted to new users without following the OPM access approval process and quarterly reviews to confirm access approval were not consistently performed.</li> <li>• Not revoked immediately upon user separation and quarterly reviews to confirm access removal were not consistently performed.</li> </ul> Granted to a privileged account without following the OPM access approval process.
	<b>Recommendation</b>	KPMG recommends that the OCIO enhance OPM's information security control monitoring program to detect information security control weaknesses by: <ul style="list-style-type: none"> <li>• Implementing and monitoring procedures to ensure system access is appropriately granted to new users, consistent with the OPM access approval process; and</li> <li>• Monitoring the process for the identification and removal of separated users to ensure that user access is removed timely upon separation; implementing procedures to ensure that user access, including user accounts and associated roles, are reviewed on a periodic basis consistent with the nature and risk of the system, and modifying any necessary accounts identified.</li> </ul>
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

\* represents repeat recommendations.



**Continued: Audit of OPM's Fiscal Year 2015 Financial Statements**

<b>Rec. #4</b>	<b>Finding</b>	A formalized system component inventory of devices to be assessed as part of vulnerability or configuration management processes was not maintained.
	<b>Recommendation</b>	KPMG recommends that the OCIO continue to perform, monitor, and improve its patch and vulnerability management processes, to include maintaining an accurate inventory of devices.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The continued implementation of planned security enhancements will assist in enhancing agency-wide monitoring of critical IT resources to prevent and detect unauthorized use.

**Title: Audit of OPM's Fiscal Year 2015 Improper Payments Reporting**

**Report #: 4A-CF-00-16-026**

**Date: May 11, 2016**

<b>Rec. #1</b>	<b>Finding</b>	<u>Improper Payment Estimates' Root Causes:</u> The OIG found that OPM did not properly categorize the root causes of the retirement benefits program's improper payments in Table 13 of OPM's FY 2015 Agency Financial Report.
	<b>Recommendation</b>	The OIG recommends that OPM implement controls to identify and evaluate the improper payment estimates root causes, to ensure that the root causes for the retirement benefits program's improper payments are properly categorized in OPM's annual Agency Financial Report.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place to identify the retirement services benefit programs improper payments estimates root cause, it will provide more granularity on the improper payment estimates, thus leading to more effective corrective actions at the program level and more focused strategies for reducing improper payments.

**Title: Audit of OPM's Office of Procurement Operations' Contract Management Process**

**Report #: 4A-CA-00-15-041**

**Date: July 8, 2016**

<b>Rec. #2</b>	<b>Finding</b>	<u>Inaccurate Contract Amounts Reported in OPM's Information Systems</u> - We requested access to 60 contract files with open obligations reported in the OCFO's CBIS Fiscal Years 2010 to 2014 Open Obligation Report, and determined that the contract amounts reported in the Consolidated Business Information System (CBIS) for 22 of the 60 contracts sampled differed from the contract amounts reported in OPO's contract files. In addition, OPO was unable to provide 17 of the 60 contract files, so we cannot determine if the amounts reported in CBIS were accurate.
	<b>Recommendation</b>	The OIG recommends that OPM's Office of Procurement Operations (OPO) implement internal controls to ensure that contract data, including contract award amounts, is accurately recorded in OPM's information systems, such as CBIS, and the appropriate supporting documentation is maintained.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that actions are in progress. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place over the contract management process, it will increase OPM's effectiveness in ensuring that acquisition requirements are met and contracts are appropriately reported in OPM's financial management system.
<b>Rec. #3</b>	<b>Finding</b>	<u>Weak Controls over the Contract Closeout Process</u> - OPO could not provide a listing of contract closeouts for FY 2013 and FY 2014. In addition, of the 60 contracts the OIG sampled, we identified 46 in which OPO did not initiate the contract closeout process in compliance with the FAR.
	<b>Recommendation</b>	The OIG recommends that OPO develop an accurate inventory of FYs 2013 and 2014 contracts ready for closeout.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that actions are in progress. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place over the contract management process, it will increase OPM's effectiveness in ensuring that acquisition requirements are met and contracts are properly closed out.
<b>Rec. #5</b>	<b>Finding</b>	<u>Weak Controls over the Contract Closeout Process</u> - See number 3 above.
	<b>Recommendation</b>	The OIG recommends that OPO provide documentation to verify that the closeout process has been administered on the open obligations for the 46 contracts questioned.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that actions are in progress. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place over the contract management process, it will increase OPM's effectiveness in ensuring that acquisition requirements are met and contracts are properly closed out.

**Continued: Audit of OPM's Office of Procurement Operations' Contract Management Process**

<b>Rec. #6</b>	<b>Finding</b>	<u>Weak Controls over the Contract Closeout Process</u> : As a result of the control deficiencies identified for the contract closeout process, as well as the issues previously discussed, we cannot determine if \$108,880,417 in remaining open obligations, associated with 46 questioned contracts, are still available for use by OPM's program offices.
	<b>Recommendation</b>	The OIG recommends that OPM's OPO return \$108,880,417 in open obligations, for the 46 contracts questioned, to the program offices if support cannot be provided to show that the contract should remain open and the funds are still being utilized.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that actions are in progress. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	\$108,880,417
	<b>Other Nonmonetary Benefit</b>	If controls are in place over the contract management process, it will increase OPM's effectiveness in ensuring that acquisition requirements are met and contracts are properly closed out.

**Title: Audit of OPM's Fiscal Year 2016 Financial Statements**

**Report #: 4A-CF-00-16-030**

**Date: November 14, 2016**

<b>Rec. #1</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : The Information Security and Privacy Policy Handbook are outdated.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review, update, and approve the security management policies and procedures at the organization defined frequency. Updates should incorporate current operational procedures and removal of outdated procedures and terminology.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Policies will reflect current operational environment, which will allow personnel to develop and adhere to authorized processes and related controls.

**Continued: Audit of OPM's Fiscal Year 2016 Financial Statements**

<b>Rec. #2</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : OPM System Documentation is outdated.
	<b>Recommendation</b>	Grant Thornton recommends that OPM create and/or update system documentation as follows: <ul style="list-style-type: none"> <li>• System Security Plans – Update the plans and perform periodic reviews in accordance with the organization defined frequencies.</li> <li>• Risk Assessments – Conduct a risk assessment for financially relevant applications and systems and a document comprehensive results of the testing performed.</li> <li>• Authority to Operate – Perform security assessment and authorization reviews in a timely manner and create up-to-date packages for systems.</li> <li>• Information System Continuous Monitoring – Document results of continuous monitoring testing performed for systems.</li> </ul>
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Complete and consistent security control documentation and complete and thorough testing will allow the agency to be informed of security control weaknesses that threaten the confidentiality, integrity, and availability of the data contained within its systems.
<b>Rec. #3</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : The Federal Information Security Management Act (FISMA) Inventory Listing is incomplete.
	<b>Recommendation</b>	Grant Thornton recommends that OPM enhance processes in place to track the inventory of the Agency's systems and devices.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	With an updated FISMA Inventory Listing, Management can: (a) work towards FISMA compliance, (b) develop an understanding of how transactions/data flow between the various systems, and (c) understand the totality of operational systems/applications within its environment.

**Continued: Audit of OPM's Fiscal Year 2016 Financial Statements**

<b>Rec. #4</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : OPM lacks a system generated listing of terminated agency contractors.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement a system/control that tracks terminated contractors.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A listing of terminated contractors to be reconciled against systems access will decrease the risk that users retain lingering access to systems and therefore will decrease the risk of inaccurate, invalid, and unauthorized transactions being processed by systems that could ultimately impact financial reporting.
<b>Rec. #5</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : Role based training has not been completed.
	<b>Recommendation</b>	Grant Thornton, the independent public accountant employed by OPM to conduct the financial statement audit, recommends that OPM establish a means of documenting a list of users with significant information system responsibility to ensure the listing is complete and accurate and the appropriate training is completed.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Individuals obtain skills / training needed to perform day to day duties.
<b>Rec. #7</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : Lack of Monitoring of Plan of Actions and Milestones (POA&Ms)
	<b>Recommendation</b>	Grant Thornton recommends that OPM assign specific individuals with overseeing/monitoring POA&Ms to ensure they are addressed in a timely manner.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The agency is able to determine whether vulnerabilities are remediated in a timely manner. This decreases the risk that systems are compromised.

**Continued: Audit of OPM's Fiscal Year 2016 Financial Statements**

<b>Rec. #8</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : Lack of periodic access recertifications.
	<b>Recommendation</b>	Grant Thornton recommends that OPM perform a comprehensive review of the appropriateness of personnel with access to systems at the Agency's defined frequencies.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A comprehensive review of personnel with access to the in-scope applications /systems will decrease the risk that inappropriate individuals maintain access allowing them to perform incompatible functions or functions associated with elevated privileges.
<b>Rec. #10</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : ██████████, ██████████, and ██████████ are not PIV-compliant.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement two-factor authentication at the application level in accordance with agency and federal policies.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Two factor authentication will decrease the risk of unauthorized access into OPM systems.
<b>Rec. #11</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : Lack of access descriptions and Segregation of Duties (SoD) Matrices.
	<b>Recommendation</b>	Grant Thornton recommends that OPM document access rights to systems to include roles, role descriptions, and privileges / activities associated with each role and role or activity assignments that may cause a segregation of duties conflict.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A comprehensive understanding of user access rights will decrease the risk that users perform incompatible duties or have access to privileges or roles outside of what is needed to perform their day-to-day duties.

**Continued: Audit of OPM's Fiscal Year 2016 Financial Statements**

<b>Rec. #12</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : Access procedures for terminated users are not followed.
	<b>Recommendation</b>	Grant Thornton recommends that OPM ensure termination processes (e.g., return of PIV badges and IT equipment, completion of Exist Clearance Forms and completion of exit surveys) are followed in a timely manner and documentation of completion of these processes is maintained.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Ensuring proper termination procedures are followed will decrease the risk that individuals gain / retain unauthorized access to IT resources/systems.
<b>Rec. #14</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : The FACES audit logs are not periodically reviewed.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review audit logs on a pre-defined periodic basis for violations or suspicious activity and identify individuals responsible for follow-up or evaluation of issues to the Security Operations Team for review. The review of audit logs should be documented for record retention purposes.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A thorough review of audit logs decreases the risk that suspicious activity that occurs may go undetected and therefore may not be addressed in a timely manner.
<b>Rec. #16</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : OPM is unable to generate a complete and accurate listing of modifications to the mainframe and midrange environments.
	<b>Recommendation</b>	Grant Thornton recommends that OPM system owners establish a methodology to systematically track all configuration items that are migrated to production, and be able to produce a complete and accurate listing of all configuration items for both internal and external audit purposes, which will in turn support closer monitoring and management of the configuration management process.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Decreases the risk that unauthorized or erroneous changes to the mainframe and midrange configuration may be introduced without detection by system owners.



**Continued: Audit of OPM's Fiscal Year 2016 Financial Statements**

<b>Rec. #17</b>	<b>Finding</b>	<u>Information Systems Control Environment</u> : OPM lacks a security configuration checklist
	<b>Recommendation</b>	Grant Thornton recommends that OPM enforce existing policy requiring mandatory security configuration settings, developed by OPM or developed by vendors or Federal agencies, are implemented and settings are validated on a periodic basis to ensure appropriateness.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Restrictive security settings in place for components and a periodic assessment to ensure that such settings are in place and appropriate decreases the risk that the confidentiality, integrity, and / or availability of financial data is compromised.

**Title: Audit of OPM's Fiscal Year 2016 Improper Payments Reporting**

**Report #: 4A-CF-00-17-012**

**Date: May 11, 2017**

<b>Rec. #10*</b>	<b>Finding</b>	<u>Improper Payment Root Causes</u> : Retirement Services was unable to fully categorize the following improper payments root causes in Table 2, " <i>Improper Payment Root Cause Category Matrix</i> ," of the FY 2016 Annual Financial Report (AFR): Federal employees retirement system's disability offset for social security disability, delayed reporting of eligibility, unauthorized dual benefits or overlapping payments between benefit paying agencies, and fraud.  In the FY 2016 AFR, OPM acknowledges that they are aware of the major contributors of improper payments but are unable to provide the level of granularity needed to fully fulfill OMB Circular A-136 requirements. As a result, the remaining balance of these improper payments were placed in "Other Reason."
	<b>Recommendation</b>	The OIG recommends that OPM continue to implement controls to identify and evaluate the improper payment estimates root causes, to ensure that the root causes for the retirement benefits program's improper payments are properly categorized in OPM's annual AFR. (Rolled-Forward from FY 2015)
	<b>Status</b>	The agency did not agree with the recommendation. OPM is considering alternative approaches to address the findings. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place to identify the retirement services benefit programs improper payments estimates root cause, it will provide more granularity on the improper payment estimates, thus leading to more effective corrective actions at the program level and more focused strategies for reducing improper payments

\* represents repeat recommendations.



**Title: Audit of OPM's Purchase Card Program****Report #: 4A-OO-00-16-046****Date: July 7, 2017**

<b>Rec. #3</b>	<b>Finding</b>	<u>Agency Financial Report</u> : See number 2 above.
	<b>Recommendation</b>	We recommend that the OCFO verify and validate purchase card information prior to reporting it in the AFR to ensure the integrity of the data reported.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place over the purchase card program, it will increase OPM's effectiveness in reducing the risk of fraud, waste, and abuse related to government transactions.

**Title: Audit of OPM's Fiscal Year 2017 Financial Statements****Report #: 4A-CF-00-17-028****Date: November 13, 2017**

<b>Rec. #1*</b>	<b>Finding</b>	System Security Plans, Risk Assessments, Security Assessment and Authorization Packages and Information System Continuous Monitoring documentation were incomplete.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review, update and approve policies and procedures in accordance with frequencies prescribed by OPM policy.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Policies will reflect current operational environment, which will allow personnel to develop and adhere to authorized processes and related controls.
<b>Rec. #2</b>	<b>Finding</b>	OPM did not have a centralized process in place to maintain a complete and accurate listing of systems and devices to be able to provide security oversight or risk mitigation to the protection of its resources.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement processes to update the FISMA inventory listing to include interconnections, and review the FISMA inventory listing on a periodic basis for completeness and accuracy.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	With an updated FISMA Inventory Listing, Management can: (a) work towards FISMA compliance, (b) develop an understanding of how transactions/data flow between the various systems, and (c) understand the totality of operational systems/applications within its environment.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2017 Financial Statements**

<b>Rec. #3</b>	<b>Finding</b>	OPM did not have a centralized process in place to maintain a complete and accurate listing of systems and devices to be able to provide security oversight or risk mitigation to the protection of its resources.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement processes to associate software and hardware assets to system boundaries.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Complete and consistent security control documentation and complete and thorough testing will allow the agency to be informed of security control weaknesses that threaten the confidentiality, integrity, and availability of the data contained within its systems.
<b>Rec. #4</b>	<b>Finding</b>	Instances of applications not scanned during the first quarter of FY 2017 and in July 2017 were noted.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement backup procedures to ensure continuous security scans over web applications.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Complete and consistent security control documentation and complete and thorough testing will allow the agency to be informed of security control weaknesses that threaten the confidentiality, integrity, and availability of the data contained within its systems.
<b>Rec. #5*</b>	<b>Finding</b>	OPM did not have a system in place to identify and generate a complete and accurate listing of OPM contractors and their employment status.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement a system or control that tracks the employment status of OPM contractors.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A listing of contractors to be reconciled against systems access will decrease the risk that users retain lingering access to systems and therefore will decrease the risk of inaccurate, invalid, and unauthorized transactions being processed by systems that could ultimately impact financial reporting.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2017 Financial Statements**

<b>Rec. #6</b>	<b>Finding</b>	Documentation of the periodic review of POA&Ms did not exist. Several instances of known security weaknesses did not correspond to a POA&M.
	<b>Recommendation</b>	Grant Thornton recommends that OPM assign specific individuals with overseeing and monitoring POA&Ms to ensure security weaknesses correspond to a POA&M so that they are addressed in a timely manner.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The agency is able to determine whether vulnerabilities are remediated in a timely manner. This decreases the risk that systems are compromised.
<b>Rec. #7</b>	<b>Finding</b>	OPM did not have a system in place to identify and generate a complete and accurate listing of users with significant information systems responsibilities.
	<b>Recommendation</b>	Grant Thornton recommends that OPM establish a means of developing a complete and accurate listing of users with Significant Information System Responsibilities that are required to complete role-based training.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A comprehensive review of personnel with access to the in-scope applications /systems will decrease the risk that inappropriate individuals maintain access allowing them to perform incompatible functions or functions associated with elevated privileges.
<b>Rec. #8</b>	<b>Finding</b>	Entity level policies and procedures are outdated and / or incomplete.
	<b>Recommendation</b>	Grant Thornton recommends that OPM continue to follow its project management plan to review and approve newly prepared policies so that the policies can be disseminated to stakeholders.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Policies will reflect current operational environment, which will allow personnel to develop and adhere to authorized processes and related controls.

**Continued: Audit of OPM's Fiscal Year 2017 Financial Statements**

<b>Rec. #9*</b>	<b>Finding</b>	OPM did not comply with their policies regarding periodic recertification of the appropriateness of user access.
	<b>Recommendation</b>	Grant Thornton recommends that OPM perform a comprehensive periodic review of the appropriateness of personnel with access to systems.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Two factor authentication will decrease the risk of unauthorized access into OPM systems.
<b>Rec. #10</b>	<b>Finding</b>	Users are not appropriately provisioned and de-provisioned access from OPM's information systems and the data center. OPM did not comply with its policies regarding periodic recertification of the appropriateness of user access.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement physical security access reviews to ensure access to the data center is limited to personnel that require access based on their job responsibilities.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Reviews will limit physical security access.
<b>Rec. #11*</b>	<b>Finding</b>	All six of the financial applications assessed were not compliant with OMB-M-11-11 Continued Implementation of Homeland Security Presidential Directive (HSPD) 12 Policy for a Common Identification Standard for Federal Employees and Contractors or Personal Identity Verification (PIV) and OPM policy which requires the two-factor authentication.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement two-factor authentication for applications.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Two factor authentication will decrease the risk of unauthorized access into OPM systems.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2017 Financial Statements**

<b>Rec. #12*</b>	<b>Finding</b>	OPM could not provide a system generated listing of all users who have access to systems. System roles and associated responsibilities or functions, including the identification of incompatible role assignments were not documented.
	<b>Recommendation</b>	Grant Thornton recommends that OPM document access rights to systems to include roles, role descriptions, and privileges or activities associated with each role or activity assignments that may cause a segregation of duties conflict.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A comprehensive understanding of user access rights will decrease the risk that users perform incompatible duties or have access to privileges or roles outside of what is needed to perform their day-to-day duties.
<b>Rec. #13</b>	<b>Finding</b>	Users are not appropriately provisioned and de-provisioned access from OPM's information systems and the data center. OPM did not comply with their policies regarding periodic recertification of the appropriateness of user access.
	<b>Recommendation</b>	Grant Thornton recommends that OPM ensure policies and procedures governing the provisioning and de-provisioning of access to information systems are followed in a timely manner and documentation of completion of these processes is maintained.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Policies will reflect current operational environment, which will allow personnel to develop and adhere to authorized processes and related controls.
<b>Rec. #14*</b>	<b>Finding</b>	Security events were not reviewed in a timely manner.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review audit logs on a pre-defined periodic basis for violations or suspicious activity and identify individuals responsible for follow up or elevation of issues to the appropriate team members for review. The review of audit logs should be documented for record retention purposes.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A thorough review of audit logs decreases the risk that suspicious activity that occurs may go undetected and therefore may not be addressed in a timely manner.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2017 Financial Statements**

<b>Rec. #15</b>	<b>Finding</b>	OPM could not provide a system generated listing of all users who have access to systems. System roles and associated responsibilities or functions, including the identification of incompatible role assignments were not documented.
	<b>Recommendation</b>	Grant Thornton recommends that OPM establish a means of documenting all users who have access to system.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A comprehensive understanding of user access rights will decrease the risk that users perform incompatible duties or have access to privileges or roles outside of what is needed to perform their day-to-day duties.
<b>Rec. #17*</b>	<b>Finding</b>	OPM did not have the ability to generate a complete and accurate listing of modifications made to configuration items to systems.
	<b>Recommendation</b>	Grant Thornton recommends that OPM establish a methodology to systematically track all configuration items that are migrated to production and be able to produce a complete and accurate listing of all configuration items for both internal and external audit purposes, which will in turn support closer monitoring and management of the configuration management process.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Decreases the risk that unauthorized or erroneous changes to the mainframe and midrange environments configuration may be introduced without detection by system owners.
<b>Rec. #18*</b>	<b>Finding</b>	OPM did not maintain a security configuration checklist for platforms.
	<b>Recommendation</b>	Grant Thornton recommends that OPM enforce existing policy developed by OPM, vendors or federal agencies requiring mandatory security configuration settings and implement a process to periodically validate that the settings are appropriate.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Restrictive security settings in place for components and a periodic assessment to ensure that such settings are in place and appropriate decreases the risk that the confidentiality, integrity, and / or availability of financial data is compromised.

\* represents repeat recommendations.



**Title: Audit of OPM's Travel Card Program****Report #: 4A-CF-00-15-049****Date: January 16, 2018**

<b>Rec. #1</b>	<b>Finding</b>	Travel Operations lacks clear, concise, and accurate policies and procedures, governing their Travel Charge Card Program.
	<b>Recommendation</b>	The OIG recommends that Travel Operations ensure that all travel card policies and procedures, governing OPM's travel card program, are accurate and consistent with one another and contain all areas/ requirements outlined by laws and regulations pertaining to OPM's government travel card program.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Current, clear, and accurate policies and procedures will help to reduce the potential for fraud, waste, and abuse of the travel card program.
<b>Rec. #2</b>	<b>Finding</b>	See #1 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations ensure that roles and responsibilities are clearly articulated to avoid ambiguity of delegated duties.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Consistency creates less confusion among users and increases the accountability between employees and their program managers.
<b>Rec. #3</b>	<b>Finding</b>	See #1 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations collaborate with OPM's Employee Services to formulate written penalties to deter misuse of OPM's travel charge cards.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not received documentation to show implementation of the recommendation.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Current, clear, and accurate policies and procedures will help to reduce the potential for fraud, waste, and abuse of the travel card program.
<b>Rec. #4</b>	<b>Finding</b>	See #1 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations immediately replace the Charge Card Management Plan, dated May 5, 2006, located on THEO, with the version dated January 2017. Travel Operations should also ensure that THEO is immediately updated when a new version of the Charge Card Management Plan is released or updated.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Current, clear, and accurate policies and procedures will help to reduce the potential for fraud, waste, and abuse of the travel card program.

**Continued: Audit of OPM's Travel Card Program**

<b>Rec. #6</b>	<b>Finding</b>	See #5 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations formally appoint approving officials and program coordinators through appointment letters, which outline their basic responsibilities and duties related to the travel card operations for their respective program office.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Participants that are properly informed of their responsibilities can lead to the decrease in card misuse and abuse.
<b>Rec. #7</b>	<b>Finding</b>	See #5 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations coordinate and partner with OPM program approving officials, program coordinators, and any appropriate program offices to implement controls to ensure card users and oversight personnel receive the required training on the appropriate use, controls and consequences of abuse before they are given a card, and/or appointment to the position. Documentation should be maintained to support the completion of initial and refresher training.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Properly trained participants can lead to the decrease in card misuse and abuse.
<b>Rec. #8</b>	<b>Finding</b>	Out of the 324 travel card transactions selected for testing, we found that 33 transactions, totaling \$8,158, were missing travel authorizations and 28 transactions, totaling \$27,627, were missing required receipts.
	<b>Recommendation</b>	The OIG recommends that Travel Operations strengthen its oversight and monitoring of travel card transactions, to include but not be limited to, ensuring travel cards are being used and approved in accordance with regulations and guidance.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Supported transactions decrease the risk for abuse or misuse of the travel card and agency resources.



**Continued: Audit of OPM's Travel Card Program**

<b>Rec. #9</b>	<b>Finding</b>	See #8 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations provide frequent reminders to the approving officials on their responsibilities when reviewing travel authorizations and vouchers. Reminders should include such things as GSA's best practices for travel charge cards to ensure travel cardholders submit receipts for expenses over \$75 when submitting their vouchers, and that travel authorizations are approved prior to travel.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Supported transactions decrease the risk for abuse or misuse of the travel card and agency resources.
<b>Rec. #10</b>	<b>Finding</b>	See #8 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations develop written procedures for their Compliance Review and Voucher Review processes. At a minimum, procedures should include verifying and validating travel authorizations, receipts, and vouchers.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Current, clear, and accurate policies and procedures will help to reduce the potential for fraud, waste, and abuse of the travel card program.
<b>Rec. #11</b>	<b>Finding</b>	We determined that 21 restricted cardholders made 68 cash advance transactions that exceeded their seven-day limit, totaling \$17,493. Three of the 21 restricted cardholders also exceeded their billing cycle limits, totaling \$3,509.
	<b>Recommendation</b>	The OIG recommends that Travel Operations ensure organizational program coordinators review and certify monthly ATM Reports to help identify cardholder cash advances taken in excess of their ATM limit.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A robust system of internal controls over the ATM cash advance decreases the risk that cash advances are used for expenses unrelated to Government travel.

**Continued: Audit of OPM's Travel Card Program**

<b>Rec. #12</b>	<b>Finding</b>	See #11 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations follow up with organizational program coordinators to ensure that appropriate actions are taken against employees who have used their travel card for unauthorized transactions during each billing cycle.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A robust system of internal controls over the ATM cash advance decreases the risk that cash advances are used for expenses unrelated to Government travel.
<b>Rec. #13</b>	<b>Finding</b>	Travel Operations did not provide support that cardholder accounts with delinquencies of 61 days or more were suspended or cancelled.
	<b>Recommendation</b>	The OIG recommends that Travel Operations ensure that payments are made or to obtain a remediation plan for all outstanding balances on delinquent accounts, totaling \$61,189.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Removing cards in the hands of a delinquent cardholder decreases the chances for fraud, misuse, and abuse of the travel card.
<b>Rec. #14</b>	<b>Finding</b>	See #13 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations strengthen internal controls to confirm that delinquent accounts are monitored and ensure that all delinquent cardholder accounts are either suspended or canceled, as appropriate.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Removing cards in the hands of a delinquent cardholder decreases the chances for fraud, misuse, and abuse of the travel card.
<b>Rec. #15</b>	<b>Finding</b>	Travel Operations did not immediately cancel 176 travel card accounts of employees that separated from OPM.
	<b>Recommendation</b>	The OIG recommends that Travel Operations ensure that an analysis is routinely performed to certify that travel cards are not used after the separation date.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Cancelling cards immediately upon termination of employment decreases the opportunity for continued use, which can result in travel card misuse and abuse.

**Continued: Audit of OPM's Travel Card Program**

<b>Rec. #16</b>	<b>Finding</b>	See #15 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations implement stronger internal controls to ensure that travel card accounts are immediately cancelled upon separation of the cardholder's employment.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Cancelling cards immediately upon termination of employment decreases the opportunity for continued use, which can result in travel card misuse and abuse.
<b>Rec. #17</b>	<b>Finding</b>	We were unable to determine if inactive cardholder's accounts had been deactivated because documentation was not provided to show that periodic reviews of cardholder activity had been completed.
	<b>Recommendation</b>	The OIG recommends that Travel Operations identify cardholders that have not used their travel card for one year or more and deactivate travel cards in a timely manner.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Performing and documenting periodic review to identify travel cardholders that have not used their card decreases potential for misuse, abuse, and fraud.
<b>Rec. #18</b>	<b>Finding</b>	See #17 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations enforce policies and procedures to conduct periodic reviews of travel card accounts to ensure cards are needed by the employees to which they are issued.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Performing and documenting periodic review to identify travel cardholders that have not used their card decreases potential for misuse, abuse, and fraud.
<b>Rec. #19</b>	<b>Finding</b>	See #17 for description.
	<b>Recommendation</b>	The OIG recommends that Travel Operations establish and implement controls to properly document and retain support for the periodic reviews of inactivity.
	<b>Status</b>	The agency agreed with the recommendation and it is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Performing and documenting periodic review to identify travel cardholders that have not used their card decreases potential for misuse, abuse, and fraud.

**Continued: Audit of OPM's Travel Card Program**

<b>Rec. #20</b>	<b>Finding</b>	Travel Operations does not have controls in place to ensure that the travel card data reported in the Annual Financial Report is accurate.
	<b>Recommendation</b>	The OIG recommends that Travel Operations provide support to validate the travel card information provided in Table 18. Furthermore, we recommend Travel Operations improve internal controls over its travel card reporting process to ensure the integrity of the travel card data reported in the AFR. These controls should include verification and validation of the travel card information prior to reporting it in the AFR.
	<b>Status</b>	The agency agreed with the recommendation and is now resolved. Closure is contingent on the completion of corrective actions.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Validating the travel card data ensures the AFR information is not erroneous.

**Title: Audit of OPM's Common Services**

**Report #: 4A-CF-00-16-055**

**Date: March 29, 2018**

<b>Rec. #1</b>	<b>Finding</b>	Data Entry Errors were identified in the common services distribution calculation.
	<b>Recommendation</b>	The OIG recommends that the OCFO implement a process to correct identified errors in the same fiscal year.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that actions are in progress. Evidence to support closure has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If effective controls are in place to ensure errors are identified, funding sources will not be incorrectly charged for their share of common services.
<b>Rec. #2</b>	<b>Finding</b>	See #1 for description
	<b>Recommendation</b>	The OIG recommends that the OCFO strengthen its internal controls to ensure that the distribution basis figures are properly supported, reviewed, and approved prior to billing the funding sources.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that corrective actions are in progress. Evidence to support closure has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If effective controls are in place to ensure errors are identified, funding sources will not be incorrectly charged for their share of common services.

**Continued: Audit of OPM's Common Services**

<b>Rec. #3</b>	<b>Finding</b>	The OCFO could not produce documentation to support (1) that the Director approved the fiscal year 2017 common services cost of \$105,101,530; (2) a change in Human Resources Solutions' common services January billing; and (3) how it determined the amount charged to the Office of the Inspector General.
	<b>Recommendation</b>	The OIG recommends that the OCFO provide documentation to support the Director's approval of the common services cost.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that corrective actions are in progress. Evidence to support closure has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Maintaining supporting documentation supports the common services cost and billing charges which help to ensure that OPM's funding sources have not been mischarged for common services.
<b>Rec. #4</b>	<b>Finding</b>	See #3 for description.
	<b>Recommendation</b>	The OIG recommends that the OCFO maintain proper documentation to support all common services data, to include but not be limited to verbal agreements, calculations, methodology, distribution, and billing, to ensure completeness and transparency.
	<b>Status</b>	The agency agreed with the recommendation. OPM informed us that corrective actions are in progress. Evidence to support closure has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Maintaining supporting documentation supports the common services cost and billing charges which help to ensure that OPM's funding sources have not been mischarged for common services.
<b>Rec. #5</b>	<b>Finding</b>	The OCFO's fiscal year 2017 common services bill did not identify the "Unallocated" amount, which is set aside for emergency purposes.
	<b>Recommendation</b>	The OIG recommends that the OCFO reformat its budget levels to ensure all costs are appropriately itemized and/or contain full disclosure of all costs, to ensure transparency.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	By providing transparent budget levels, senior official will be aware of all the services that they are being charged for.

**Title: Audit of the U.S. Office of Personnel Management’s Fiscal Year 2017 Improper Payments Reporting**

**Report #: 4A-CF-00-18-012**

**Date: May 10, 2018**

<b>Rec. #2</b>	<b>Finding</b>	The overall intent of the Improper Payments Information Act of 2002, as amended by the Improper Payments Elimination and Recovery Act (IPERA) and the Improper Payments Elimination and Recovery Improvement Act (IPERIA), is to reduce improper payments. While Retirement Services met its improper payment reduction targets for fiscal years 2012 through 2017, Retirement Services’ improper payments rate remained basically stagnant during that time period, at roughly an average of 0.37 percent. In addition, Retirement Services’ improper payment amounts increased every year from 2012 to their current level of more than \$313 million.
	<b>Recommendation</b>	The OIG recommends that Retirement Services develop and implement additional cost effective corrective actions, aimed at the root cause(s) of improper payments, in order to further reduce the improper payments rate.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place to identify the retirement services benefit programs improper payments estimates root cause, it will provide more granularity on the improper payment estimates, thus leading to more effective corrective actions at the program level and more focused strategies for reducing improper payments.

**Title: Audit of OPM’s Fiscal Year 2018 Financial Statements**

**Report #: 4A-CF-00-18-024**

**Date: November 15, 2018**

<b>Rec. #1</b>	<b>Finding</b>	General Support Systems (GSSs) and application System Security Plans, Risk Assessments, Authority to Operate Packages and Information System Continuous Monitoring documentation were incomplete or not reflective of current operating conditions.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review and update system documentation (System Security Plans and Authority to Operate Packages) and appropriately document results of Risk Assessments and Information System Continuous Monitoring) in accordance with agency policies and procedures.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Complete and consistent security control documentation and complete and thorough testing will allow the agency to be informed of security control weaknesses that threaten the confidentiality, integrity, and availability of the data contained within its systems.

***Continued: Audit of OPM's Fiscal Year 2018 Financial Statements***

<b>Rec. #2*</b>	<b><i>Finding</i></b>	OPM did not have a centralized process in place to track a complete and accurate listing of systems and devices to be able to provide security oversight or risk mitigation in the protection of its resources.
	<b><i>Recommendation</i></b>	Grant Thornton recommends that OPM enhance processes in place to track the inventory of OPM's systems and devices.
	<b><i>Status</i></b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Accurate tracing of OPM's systems and device inventory will enhance Management's understand the totality of operational systems/applications within its environment.

<b>Rec. #3</b>	<b><i>Finding</i></b>	OPM did not have a system in place to identify and generate a complete and accurate listing of OPM contractors and their employment status
	<b><i>Recommendation</i></b>	Grant Thornton recommends that OPM implement a system or control that tracks the employment status of OPM contractors.
	<b><i>Status</i></b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	A listing of contractors to be reconciled against systems access will decrease the risk that users retain lingering access to systems and therefore will decrease the risk of inaccurate, invalid, and unauthorized transactions being processed by systems that could ultimately impact financial reporting.

***Continued: Audit of OPM's Fiscal Year 2018 Financial Statements***

<b>Rec. #4*</b>	<b><i>Finding</i></b>	A complete and accurate listing of Plan of Action and Milestones (POA&Ms) could not be provided. Additionally, documentation of the periodic review of POA&Ms did not exist.
	<b><i>Recommendation</i></b>	Grant Thornton recommends that OPM assign specific individuals with overseeing and monitoring POA&Ms to ensure security weaknesses correspond to a POA&M, and are remediated in a timely manner.
	<b><i>Status</i></b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The agency will be able to determine whether vulnerabilities are remediated in a timely manner. This decreases the risk that systems are compromised.

\* represents repeat recommendations.



**Continued: Audit of OPM's Fiscal Year 2018 Financial Statements**

<b>Rec. #5*</b>	<b>Finding</b>	OPM did not have a system in place to identify and generate a complete and accurate listing of users with significant information systems responsibility.
	<b>Recommendation</b>	Grant Thornton recommends that OPM establish a means of documenting a list of users with significant information system responsibilities to ensure the listing is complete and accurate and the appropriate training is completed.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	An accurate listing of users with significant information system responsibility will ensure individuals will obtain skills/training needed to perform day-to-day duties.
<b>Rec. #7</b>	<b>Finding</b>	Users, including those with privileged access, were not appropriately provisioned and de-provisioned access from OPM's information systems.
	<b>Recommendation</b>	Grant Thornton recommends that OPM ensures policies and procedures governing the provisioning and de-provisioning of access to information systems are followed in a timely manner and documentation of completion of these processes is maintained.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Following and documenting the policies and procedures governing the provisioning and de-provisioning of access to information systems will ensure appropriate access to OPM's information systems.
<b>Rec. #8</b>	<b>Finding</b>	OPM did not comply with their policies regarding the periodic recertification of the appropriateness of user access.
	<b>Recommendation</b>	Grant Thornton recommends that OPM perform a comprehensive periodic review of the appropriateness of personnel with access to systems.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Periodic reviews of personnel with access to systems will ensure the appropriateness of user access.

\* represents repeat recommendations.



**Continued: Audit of OPM's Fiscal Year 2018 Financial Statements**

<b>Rec. #9*</b>	<b>Finding</b>	Physical access to one of the data centers is not appropriate.
	<b>Recommendation</b>	Grant Thornton recommends that OPM ensure policies and procedures governing the provisioning and de-provisioning of access to the data center are followed in a timely manner and documentation of completion of these processes is maintained.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Following and documenting the policies and procedures governing the provisioning and de-provisioning of access to the data center, and implementing physical security access reviews will limit access to appropriate personnel.
<b>Rec. #10*</b>	<b>Finding</b>	Physical access to one of the data centers is not appropriate.
	<b>Recommendation</b>	Grant Thornton also recommends that OPM implement physical security access reviews to ensure access to the data center is limited to appropriate personnel.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Following and documenting the policies and procedures governing the provisioning and de-provisioning of access to the data center, and implementing physical security access reviews will limit access to appropriate personnel.
<b>Rec. #11*</b>	<b>Finding</b>	Financial applications assessed are not compliant with OMB-M-11-11 <i>Continued Implementation of Homeland Security Presidential Directive (HSPD) 12 Policy for a Common Identification Standard for Federal Employees and Contractors</i> or Personal Identity Verification (PIV) and OPM policy, which requires the two-factor authentication.
	<b>Recommendation</b>	Grant Thornton recommends that OPM implement two-factor authentication for applications.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Implementing two-factor authentication for applications ensure compliance with OMB-M-11-11 and PIV and OPM policy which requires the two-factor authentication.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2018 Financial Statements**

<b>Rec. #12*</b>	<b>Finding</b>	System roles and associated responsibilities or functions, including the identification of incompatible role assignments were not documented.
	<b>Recommendation</b>	Grant Thornton recommends that OPM document access rights to systems to include roles, role descriptions and privileges or activities associated with each role and role or activity assignments that may cause a segregation of duties conflict.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Documenting access rights to OPM systems decreases the risk of systems compromise.
<b>Rec. #13*</b>	<b>Finding</b>	A comprehensive review of audit logs was not performed for the mainframe and four of the six in-scope applications which are mainframe based, or was not performed in a timely manner for one of the six in-scope applications that resides on the network.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review audit logs on a pre-defined periodic basis for violations or suspicious activity and identify individuals responsible for follow up or elevation of issues to the appropriate team members for review. The review of audit logs should be documented for record retention purposes.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Reviewing the audit logs and documenting the review decreases the risk of unauthorized access the mainframe and applications.
<b>Rec. #14</b>	<b>Finding</b>	System roles and associated responsibilities or functions, including the identification of incompatible role assignments were not documented.
	<b>Recommendation</b>	Grant Thornton recommends that OPM establish a means of documenting all users who have access to system.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Documenting system roles and responsibilities will ensure access to systems only to authorized users.

**Continued: Audit of OPM's Fiscal Year 2018 Financial Statements**

<b>Rec. #15</b>	<b>Finding</b>	Password and inactivity settings for the general support systems and one of the six in-scope applications are not compliant with OPM policy.
	<b>Recommendation</b>	Grant Thornton recommends that OPM configure password and inactivity parameters to align with agency policies.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Configuring password and inactivity parameters will ensure compliance with OPM policy.
<b>Rec. #16</b>	<b>Finding</b>	Memorandums of Understandings and Interconnection Service Agreements were not reviewed on an annual basis.
	<b>Recommendation</b>	Grant Thornton recommends that OPM review and update Interagency Service Agreements and Memorandums of Understanding in accordance with agency policies and procedures.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Periodic review of Memorandums of Understandings and Interconnection Service Agreements will increase the understanding of the contents and requirements of the agreements.
<b>Rec. #19</b>	<b>Finding</b>	OPM did not have the ability to generate a complete and accurate listing of modifications made to configuration items to the GSS and applications.
	<b>Recommendation</b>	Grant Thornton recommends that OPM establish a methodology to systematically track all configuration items that are migrated to production and be able to produce a complete and accurate listing of all configuration items for both internal and external audit purposes, which will in turn support closer monitoring and management of the configuration management process.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Decreases the risk that unauthorized or erroneous changes to the mainframe and midrange configuration may be introduced without detection by system owners.

***Continued: Audit of OPM's Fiscal Year 2018 Financial Statements***

<b>Rec. #20*</b>	<b><i>Finding</i></b>	OPM did not maintain a security configuration checklist for platforms.
	<b><i>Recommendation</i></b>	Grant Thornton recommends that OPM enforce existing policy developed by OPM, vendors or federal agencies requiring mandatory security configuration settings and implement a process to periodically validate the settings are appropriate.
	<b><i>Status</i></b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Restrictive security settings in place for components and a periodic assessment to ensure that such settings are in place and appropriate decreases the risk that the confidentiality, integrity, and / or availability of financial data is compromised.
<b>Rec. #21</b>	<b><i>Finding</i></b>	Patches were not applied in a timely manner.
	<b><i>Recommendation</i></b>	Grant Thornton recommends that OPM establish a process to validate patches, updates, and fixes are applied in a timely manner.
	<b><i>Status</i></b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Decreases the risk that unauthorized or erroneous changes to the mainframe configuration may be introduced without detection by system owners.
<b>Rec. #22</b>	<b><i>Finding</i></b>	Controls are not in place to validate that data transmitted to applications is complete and accurate.
	<b><i>Recommendation</i></b>	Grant Thornton recommends that OPM implement controls to validate that data transmitted to applications is complete and accurate.
	<b><i>Status</i></b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Ensures the data transmitted to OPM's applications will be complete and accurate.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2018 Financial Statements**

<b>Rec. #23</b>	<b>Finding</b>	Comprehensive interface/data transmission design documentation is not in place.
	<b>Recommendation</b>	Grant Thornton recommends that OPM develop interface/data transmission design documentation that specifies data fields being transmitted, controls to ensure the completeness and accuracy of data transmitted, and definition of responsibilities.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Ensures the data transmitted within OPM systems is complete and accurate.

**Title: Audit of the U.S. Office of Personnel Management's Fiscal Year 2018 Improper Payments Reporting**  
**Report #: 4A-CF-00-19-012**  
**Date: June 3, 2019**

<b>Rec. #1</b>	<b>Finding</b>	The Disability Earnings Match overpayments reported in the <i>Corrective Actions</i> section, on page 137, of the FY 2018 AFR is understated by \$132,659.
	<b>Recommendation</b>	We recommend that Retirement Services strengthen their internal controls to ensure that the improper payments information is supported, reviewed, and validated prior to issuance to the OCFO.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If controls are in place to verify the calculations used in reporting improper payments amounts, improper payments will not be understated or overstated.

**Continued: Audit of the U.S. Office of Personnel Management's Fiscal Year 2018  
Improper Payments Reporting**

<b>Rec. #3*</b>	<b>Finding</b>	Beginning in FY 2015, the OIG reported that OPM was not properly categorizing the root causes of the retirement benefits program's improper payments in OPM's AFR. Retirement Services made improvements in FY 2016 by properly categorizing improper payments related to death data; however, they were unable to fully categorize the following improper payments root causes in Table 2, " <i>Improper Payment Root Cause Category Matrix</i> ," of the FY 2016 AFR: Federal employees retirement system's disability offset for social security disability, delayed reporting of eligibility, unauthorized dual benefits or overlapping payments between benefit paying agencies, and fraud.
	<b>Recommendation</b>	We recommend that OPM continue to implement controls to identify and evaluate the improper payment estimates root causes, to ensure that the root causes for the retirement benefits program's improper payments are properly categorized in OPM's annual AFR.
	<b>Status</b>	The agency did not agree with the recommendation. OPM is considering alternative approaches to address the findings. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If OPM continues their efforts to provide transparency and granularity in the retirement benefits program's improper payments, they will better present the root causes of improper payments in the AFR.
<b>Rec. #4*</b>	<b>Finding</b>	In FY 2017, the OIG reported that while Retirement Services met its improper payments reduction targets, the overall intent of the Improper Payments Information Act of 2002, as amended by IPERA and IPERIA, to reduce improper payments, had not been met. In addition, we noted that Retirement Services outlined various corrective actions taken to combat improper payments; however, some had been discontinued due to the perceived cost ineffectiveness of the program, such as the Proof of Life project, and additional cost effective corrective actions have not been identified and implemented.
	<b>Recommendation</b>	We recommend that Retirement Services develop and implement additional cost effective corrective actions, aimed at the root cause(s) of improper payments, in order to further reduce the improper payments rate.
	<b>Status</b>	The agency did not agree with the recommendation. OPM is considering alternative approaches to address the findings. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	If OPM develops and implements additional cost effective corrective actions, aimed at the root cause(s) of improper payments, they will further reduce the improper payments rate.

\* represents repeat recommendations.

**Title: Audit of the U.S. Office of Personnel Management’s Oversight of the ID Experts Credit Monitoring and Identify Theft Services Contract**

**Report #: 4A- OO-00-18-006**

**Date: October 11, 2019**

<b>Rec. #2</b>	<b>Finding</b>	The COR did not perform all duties required by OPM's <i>Designation of Contracting Officer's Representative Form</i> . While reviewing the contract file and supporting documentation, we identified three instances of non-compliance.
	<b>Recommendation</b>	We recommend that OPM implement controls to ensure that the COR conducts site visits, when appropriate, to the contractor and subcontractor’s facilities to review contractor performance. Controls should include maintenance of documentation showing the results of the site visits and/or rationale as to why site visits are not warranted.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Not conducting site visits to the contractor and subcontractor’s facilities to review contractor performance increases the chances that a contractor may not be performing work as required by the contract.
<b>Rec. #3</b>	<b>Finding</b>	See number 2 above.
	<b>Recommendation</b>	We recommend that OPM implement controls to ensure that the COR validates information included in the contractor’s reports submitted to OPM. Controls should include maintenance of documentation supporting the COR’s validation of the information, to include but not be limited to, the supporting documentation, exceptions, and follow-up questions with the contractor.
	<b>Status</b>	The agency agreed with the recommendation. OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Not validating the data received from the contractor increases the chances that a contractor may not be performing work as required by the contract.

**Title: Audit of the U.S. Office of Personnel Management’s Data Submission And Compliance With The Digital Accountability And Transparency Act Of 2014**

**Report #: 4A-CF-00-19-025**

**Date: November 6, 2019**

<b>Rec. #1</b>	<b>Finding</b>	<b>System Linkage Discrepancies-</b> OPM needs to strengthen controls over its DATA Act submission process to ensure that no discrepancies exist in the linkages between Files C and D1.
	<b>Recommendation</b>	We recommend that the OCFO address system linkage discrepancies between Procurement Information System for Management (PRISM), Federal Procurement Data System-Next Generation (FPDS-NG), and Consolidated Business Information System (CBIS).
	<b>Status</b>	The agency agreed with the recommendation. The recommendation remains open pending the results of the upcoming FY 2021 DATA Act audit at which time we will determine if the recommendation can be closed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Addressing linkage discrepancies between PRISM, FPDS-NG, and CBIS will help to reduce publication of inaccuracies to USASpending.gov.
<b>Rec. #2</b>	<b>Finding</b>	<b>Internal Controls –</b> OCFO and OPO need to strengthen controls to ensure Files C and D1 are valid, accurate, and complete as required by OMB-17-04.
	<b>Recommendation</b>	We recommend that the OCFO work with OPO to strengthen controls to ensure Files C and D1 are valid, accurate, and complete as required by OMB-17-04. Controls at a minimum should include a review of Procurement Instrument Identifier Numbers, Transaction Obligation Amount, and Parent Award Identifier, and/or Data elements to ensure linkages across PRISM, FPDS-NG, and CBIS.
	<b>Status</b>	The agency agreed with the recommendation. The recommendation remains open pending the results of the upcoming FY 2021 DATA Act audit at which time we will determine if the recommendation can be closed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Valid, accurate, and complete documentation provided for Files C and D1 will help to reduce publication of inaccuracies to USASpending.gov.



**Title: Audit of OPM’s Fiscal Year 2019 Financial Statements**

**Report #: 4A-CF-00-19-022**

**Date: November 18, 2019**

<b>Rec. #1*</b>	<b>Finding</b>	<b>Security Access:</b> General Support Systems (GSSs) and application System Security Plans, Risk Assessments, Authority to Operate Packages and Information System Continuous Monitoring documentation were incomplete, not timely, or not reflective of current operating conditions.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Review and update system documentation (System Security Plans and Authority to Operate Packages) and appropriately document results of Risk Assessments and Information System Continuous Monitoring) in accordance with agency policies and procedures.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Complete and consistent security control documentation and complete and thorough testing will allow the agency to be informed of security control weaknesses that threaten the confidentiality, integrity, and availability of the data contained within its systems.
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<b>Rec. #2*</b>	<b>Finding</b>	<b>Security Access:</b> OPM did not have a centralized process in place to track a complete and accurate listing of systems and devices to be able to provide security oversight or risk mitigation in the protection of its resources.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Enhance processes in place to track the inventory of OPM’s systems and devices, and validate that security software and tools are installed on all systems.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Accurate tracing of OPM’s systems and device inventory will enhance Management’s understand the totality of operational systems/applications within its environment.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2019 Financial Statements**

<b>Rec. #3*</b>	<b>Finding</b>	<b>Security Access:</b> OPM did not have a system in place to identify and generate a complete and accurate listing of OPM contractors and their employment status.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Implement a system or control that tracks the employment status of OPM contractors.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A listing of contractors to be reconciled against systems access will decrease the risk that users retain lingering access to systems and therefore will decrease the risk of inaccurate, invalid, and unauthorized transactions being processed by systems that could ultimately impact financial reporting.
<b>Rec. #4*</b>	<b>Finding</b>	<b>Security Access:</b> A complete and accurate listing of Plan of Action and Milestones (POA&Ms) could not be provided. Additionally, documentation of the periodic review of POA&Ms did not exist.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Assign specific individuals with overseeing and monitoring POA&Ms to ensure security weaknesses correspond to a POA&M, and are remediated in a timely manner.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The agency will be able to determine whether vulnerabilities are remediated in a timely manner. This decreases the risk that systems are compromised.

\* represents repeat recommendations.

*Continued: Audit of OPM's Fiscal Year 2019 Financial Statements*

<b>Rec. #5*</b>	<b>Finding</b>	<b>Security Access:</b> OPM did not have a system in place to identify and generate a complete and accurate listing of users with significant information systems responsibility
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Establish a means of documenting a list of users with significant information system responsibilities to ensure the listing is complete and accurate and the appropriate training is completed.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	An accurate listing of users with significant information system responsibility will ensure individuals will obtain skills/training needed to perform day-to-day duties.
<b>Rec. #6*</b>	<b>Finding</b>	<b>Logical Access:</b> Users, including those with privileged access, were not appropriately provisioned and de-provisioned access from OPM's information systems.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Ensure policies and procedures governing the provisioning and de-provisioning of access to information systems are followed in a timely manner and documentation of completion of these processes is maintained.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Following and documenting the policies and procedures governing the provisioning and de-provisioning of access to information systems will ensure appropriate access to OPM's information systems.
<b>Rec. #7*</b>	<b>Finding</b>	<b>Logical Access:</b> OPM did not comply with their policies regarding the periodic recertification of the appropriateness of user access.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Perform a comprehensive periodic review of the appropriateness of personnel with access to systems.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Periodic reviews of personnel with access to systems will ensure the appropriateness of user access.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2019 Financial Statements**

<b>Rec. #8*</b>	<b>Finding</b>	<b>Logical Access:</b> Financial applications assessed are not compliant with OMB-M-11-11 Continued Implementation of Homeland Security Presidential Directive (HSPD) 12 Policy for a Common Identification Standard for Federal Employees and Contractors or Personal Identity Verification (PIV) and OPM policy which requires the two-factor authentication.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Implement two-factor authentication for applications.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Implementing two-factor authentication for applications ensure compliance with OMB-M-11-11 and PIV and OPM policy which requires the two-factor authentication.
<b>Rec. #9*</b>	<b>Finding</b>	<b>Logical Access:</b> System roles and associated responsibilities or functions, including the identification of incompatible role assignments, were not documented.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Document access rights to systems to include roles, role descriptions and privileges or activities associated with each role and role or activity assignments that may cause a segregation of duties conflict.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Documenting access rights to OPM systems decreases the risk of systems compromise.

\* represents repeat recommendations.

*Continued: Audit of OPM's Fiscal Year 2019 Financial Statements*

<b>Rec. #10*</b>	<b>Finding</b>	<b>Logical Access:</b> Audit logging and monitoring procedures were not developed for all tools, operating systems, and databases contained within the application boundaries. Further, a comprehensive review of audit logs was not performed, or was not performed in a timely manner.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Prepare audit logging and monitoring procedures for databases within application boundaries. Review audit logs on a pre-defined periodic basis for violations or suspicious activity and identify individuals responsible for follow up or elevation of issues to the appropriate team members for review. The review of audit logs should be documented for record retention purposes.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Reviewing the audit logs and documenting the review decreases the risk of unauthorized access the mainframe and applications.
<b>Rec. #11*</b>	<b>Finding</b>	<b>Logical Access:</b> OPM could not provide a system generated listing of all users who have access to systems, as well as a listing of all users who had their access to systems revoked during the period.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Establish a means of documenting all users who have access to systems, and all users who had their systems access revoked.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A comprehensive understanding of user access rights will decrease the risk that users perform incompatible duties or have access to privileges or roles outside of what is needed to perform their day-to-day duties.
<b>Rec. #12*</b>	<b>Finding</b>	<b>Logical Access:</b> Password and inactivity settings are not compliant with OPM policy.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Configure password and inactivity parameters to align with agency policies.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Configuring password and inactivity settings will ensure compliance with OPM policy.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2019 Financial Statements**

<b>Rec. #13*</b>	<b>Finding</b>	<b>Logical Access:</b> Memorandums of Understandings and Interconnection Service Agreements were not documented, signed, or reviewed on an annual basis.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Document, sign, and review and update Interagency Service Agreements and Memorandums of Understanding in accordance with agency policies and procedures.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Periodic review of Memoranda of Understanding and Interconnection Service Agreements will increase the understanding of the contents and requirements of the agreements.
<b>Rec. #14*</b>	<b>Finding</b>	<b>Configuration Management:</b> OPM did not have the ability to generate a complete and accurate listing of modifications made to configuration items to the GSS and applications.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Establish a methodology to systematically track all configuration items that are migrated to production and be able to produce a complete and accurate listing of all configuration items for both internal and external audit purposes, which will in turn support closer monitoring and management of the configuration management process.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Decreases the risk that unauthorized or erroneous changes to the mainframe and midrange configuration may be introduced without detection by system owners.

\* represents repeat recommendations.

**Continued: Audit of OPM's Fiscal Year 2019 Financial Statements**

<b>Rec. #15</b>	<b>Finding</b>	<b>Configuration Management:</b> Users have access to both, develop and migrate changes to the information systems. Additionally, there were instances in which OPM was unable to articulate users with access to develop and migrate changes to the information systems.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Separate users with the ability to develop and migrate changes to production, or implement controls to detect instances in which a user develops and migrates the same change.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Implementing controls to detect instances in which a user develops and migrates the same change decreases the risk that unauthorized users will have access to information systems.
<b>Rec. #16</b>	<b>Finding</b>	<b>Configuration Management:</b> OPM did not perform post-implementation reviews to validate that changes migrated to production were authorized for in scope systems.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Conduct post-implementation reviews to validate that changes migrated to production are authorized.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Conducting post-implementation reviews will ensure that changes migrated to production were authorized for in scope systems.



**Continued: Audit of OPM's Fiscal Year 2019 Financial Statements**

<b>Rec. #17*</b>	<b>Finding</b>	<b>Configuration Management:</b> OPM did not maintain a security configuration checklist for platforms. Furthermore, baseline scans were not configured on all production servers within application boundaries. Lastly, misconfigurations identified through baseline scans were not remediated in a timely manner.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Enforce existing policy developed by OPM, vendors or federal agencies requiring mandatory security configuration settings and implement a process to periodically validate the settings are appropriate.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Restrictive security settings in place for components and a periodic assessment to ensure that such settings are in place and appropriate decreases the risk that the confidentiality, integrity, and / or availability of financial data is compromised.
<b>Rec. #18*</b>	<b>Finding</b>	<b>Configuration Management:</b> Patch management procedures are outdated. Furthermore, patches were not applied in a timely manner.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Update patch management procedures to reflect current operating conditions. Establish a process to validate patches, updates, and fixes are applied in a timely manner.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Updating patch management procedures will ensure that patches are applied in a timely manner and reflect current operating conditions..
<b>Rec. #19*</b>	<b>Finding</b>	<b>Interface / Data Transmission Controls:</b> Controls are not in place to validate that data transmitted to applications is complete and accurate.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Implement controls to validate that data transmitted to applications is complete and accurate.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Implementing controls will ensure that data transmitted to applications is complete and accurate

\* represents repeat recommendations.



**Continued: Audit of OPM's Fiscal Year 2019 Financial Statements**

<b>Rec. #20*</b>	<b>Finding</b>	<b>Interface / Data Transmission Controls:</b> Comprehensive interface / data transmission design documentation is not in place.
	<b>Recommendation</b>	Grant Thornton recommends that the Office of the Chief Information Officer (OCIO), in coordination with system owners, enforce and monitor the implementation of corrective actions to: Develop interface / data transmission design documentation that specifies data fields being transmitted, controls to ensure the completeness and accuracy of data transmitted, and definition of responsibilities.
	<b>Status</b>	The agency agreed with the recommendation. As of September 30, 2020, the independent public accountant employed by OPM to conduct the financial statement audit had not received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Develop interface / data transmission design documentation will ensure the completeness and accuracy of data transmitted, and definition of responsibilities.

\* represents repeat recommendations.

## II. INFORMATION SYSTEMS AUDITS

This section describes the open recommendations from audits of the information systems operated by OPM, FEHBP insurance carriers, and OPM contractors.

<b>Title: Federal Information Security Management Act Audit FY 2008</b> <b>Report #: 4A-CI-00-08-022</b> <b>Date: September 23, 2008</b>		
<b>Rec. #1</b>	<b>Finding</b>	<u>Security Controls Testing</u> – The Federal Information Security Management Act (FISMA) requires agencies to test the security controls of all of their systems on an annual basis. However, we determined that the security controls were not tested for three of OPM’s systems in FY 2008.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency’s progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #2</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> – FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. We determined that the contingency plans for four OPM systems were not adequately tested in FY 2008.
	<b>Recommendation</b>	The OIG recommends that OPM’s program offices test the contingency plans for each system on an annual basis.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency’s progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

<b>Title: Federal Information Security Management Act Audit FY 2009</b> <b>Report #: 4A-CI-00-09-031</b> <b>Date: November 5, 2009</b>		
<b>Rec. #6*</b>	<b>Finding</b>	<u>Security Controls Testing</u> : FISMA requires agencies to test the security controls of their systems on an annual basis. In FY 2009, two systems did not have adequate security control tests.
	<b>Recommendation</b>	The OIG recommends OPM ensure that an annual test of security controls has been completed for all systems. The IT security controls should be immediately tested for the two systems that were not subject to testing in FY 2009.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency’s progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2009**

<b>Rec. #9*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires agencies to test the contingency plans of their systems on an annual basis. In FY 2009, 11 systems did not have adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis. The contingency plans should be immediately tested for the 11 systems that were not subject to testing in FY 2009.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

**Title: Federal Information Security Management Act Audit FY 2010**

**Report #: 4A-CI-00-10-019**

**Date: November 10, 2010**

<b>Rec. #10*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of their systems on an annual basis. In FY 2010, 15 systems did not have adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

<b>Rec. #30*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. In FY 2010, 13 systems were not subject to adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis. The contingency plans should be immediately tested for the 13 systems that were not subject to adequate testing in FY 2010.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

\* represents repeat recommendations.

**Title: Federal Information Security Management Act Audit FY 2011****Report #: 4A-CI-00-11-009****Date: November 9, 2011**

<b>Rec. #7*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of their systems on an annual basis. In FY 2011, 12 systems were not subject to adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #19*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. In FY 2011, eight systems were not subject to adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis. The contingency plans should be immediately tested for the eight systems that were not subject to adequate testing in FY 2011.
	<b>Status</b>	OPM agreed with the recommendation. It is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

**Title: Federal Information Security Management Act Audit FY 2012****Report #: 4A-CI-00-12-016****Date: November 5, 2012**

<b>Rec. #11</b>	<b>Finding</b>	<u>Multi-factor Authentication</u> : OMB Memorandum M-11-11 required all federal information systems to be upgraded to use PIV credentials for multi-factor authentication by the beginning of FY 2012. However, as of the end of FY 2012, none of the 47 major systems at OPM require PIV authentication.
	<b>Recommendation</b>	The OIG recommends that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.

**Continued: Federal Information Security Management Act Audit FY 2012**

<b>Rec. #14*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of its systems on an annual basis. In FY 2012, 13 systems were not subject to adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #15*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. In FY 2012, eight systems were not subject to adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis. The contingency plans should be immediately tested for the eight systems that were not subject to adequate testing in FY 2012.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

**Title: Federal Information Security Management Act Audit FY 2013**

**Report #: 4A-CI-00-13-021**

**Date: November 21, 2013**

<b>Rec. #2</b>	<b>Finding</b>	<u>Systems development life cycle (SDLC) Methodology</u> : OPM has a history of troubled system development projects. In our opinion, the root cause of these issues relates to the lack of central policy and oversight of systems development.
	<b>Recommendation</b>	The OIG recommends that the OCIO develop a plan and timeline to enforce the new SDLC policy to all of OPM's system development projects.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2013**

<b>Rec. #11*</b>	<b>Finding</b>	<u>Multi-factor Authentication</u> : OMB Memorandum M-11-11 required all federal information systems to be upgraded to use PIV credentials for multi-factor authentication by the beginning of FY 2012. However, as of the end of the FY 2013, none of the 47 major systems at OPM require PIV authentication.
	<b>Recommendation</b>	The OIG recommends that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.
<b>Rec. #13*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of its systems on an annual basis. In FY 2013, 13 systems were not subject to adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #14*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. In FY 2013, seven were not subject to adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis. The contingency plans should be tested for the systems that were not subject to adequate testing in FY 2013 as soon as possible.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

\* represents repeat recommendations.

**Title: Federal Information Security Management Act Audit FY 2014****Report #: 4A-CI-00-14-016****Date: November 12, 2014**

<b>Rec. #2*</b>	<b>Finding</b>	<u>SDLC Methodology</u> : OPM has a history of troubled system development projects. In our opinion, the root cause of these issues relates to the lack of central policy and oversight of systems development.
	<b>Recommendation</b>	The OIG continues to recommend that the OCIO develop a plan and timeline to enforce the new SDLC policy to all of OPM's system development projects.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.
<b>Rec. #3</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Eleven OPM systems are operating without an active Security Assessment and Authorization.
	<b>Recommendation</b>	The OIG recommends that all active systems in OPM's inventory have a complete and current Authorization.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #4</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Several OPM systems are operating without an active Security Assessment and Authorization. In our opinion, one root cause of this issue relates to the lack of accountability for system owners that fail to subject their systems to the Authorization process.
	<b>Recommendation</b>	The OIG recommends that the performance standards of all OPM system owners be modified to include a requirement related to FISMA compliance for the information systems they own. At a minimum, system owners should be required to ensure that their systems have valid Authorizations.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

**Continued: Federal Information Security Management Act Audit FY 2014**

<b>Rec. #7</b>	<b>Finding</b>	<u>Baseline Configurations</u> : In FY 2014, OPM has continued its efforts toward formalizing baseline configurations for critical applications, servers, and workstations. At the end of the fiscal year, the OCIO had established baselines for several operating systems, but not for all that the agency uses in its environment.
	<b>Recommendation</b>	The OIG recommends that the OCIO develop and implement a baseline configuration for all operating platforms in use by OPM including, but not limited to, [REDACTED], and [REDACTED].
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
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<b>Rec. #8</b>	<b>Finding</b>	<u>Configuration Auditing</u> : There are several operating platforms used by OPM that do not have documented and approved baselines. Without approved baseline configurations these systems cannot be subject to an adequate compliance audit.
	<b>Recommendation</b>	The OIG recommends the OCIO conduct routine compliance scans against established baseline configurations for all servers and databases in use by OPM. This recommendation cannot be addressed until Recommendation 7 has been completed.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
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<b>Rec. #11</b>	<b>Finding</b>	<u>Vulnerability Scanning</u> : We were told in an interview that OPM performs monthly vulnerability scans using automated scanning tools. However, we have been unable to obtain tangible evidence that vulnerability scans have been routinely conducted for all OPM servers in FY 2014.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to ensure routine vulnerability scanning is conducted on all network devices documented within the inventory.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for detecting and remediating vulnerabilities.



**Continued: Federal Information Security Management Act Audit FY 2014**

<b>Rec. #12</b>	<b>Finding</b>	<u>Vulnerability Scanning</u> : The OCIO does not centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for tracking and remediating vulnerabilities.
<b>Rec. #14</b>	<b>Finding</b>	<u>Patching Management</u> : Through our independent vulnerability scans on a sample of servers we determined that numerous servers are not timely patched.
	<b>Recommendation</b>	The OIG recommends the OCIO implement a process to apply operating system and third party vendor patches in a timely manner, which is defined within the OPM Information Security and Privacy Policy Handbook.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for keeping information systems up-to-date with patches and service packs.
<b>Rec. #21*</b>	<b>Finding</b>	<u>Multi-factor Authentication</u> : OMB Memorandum M-11-11 required all federal information systems to be upgraded to use PIV credentials for multi-factor authentication by FY 2012. However, as of the end of the FY 2014, none of the 47 major systems at OPM require PIV authentication.
	<b>Recommendation</b>	The OIG recommends that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.
<b>Rec. #23*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of all of their systems on an annual basis. In FY 2014, 10 systems were not subject to adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2014**

<b>Rec. #24</b>	<b>Finding</b>	<u>Contingency Plans</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. We received updated contingency plans for 41 out of 47 information systems on OPM's master system inventory.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all of OPM's major systems have contingency plans in place and are reviewed and updated annually.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #25*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. In FY 2014, eight were not subject to adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis. The contingency plans should be tested for the systems that were not subject to adequate testing in FY 2014 as soon as possible.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #28</b>	<b>Finding</b>	<u>Contractor System Documentation</u> : The OCIO maintains a separate spreadsheet documenting interfaces between OPM and contractor-operated systems and the related Interconnection Security Agreements (ISA). However, many of the documented ISAs have expired.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all ISAs are valid and properly maintained.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that security agreements between contractor systems and agency systems are adequately tracked and maintained.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2014**

<b>Rec. #29</b>	<b>Finding</b>	<u>Contractor System Documentation</u> : While the OCIO tracks ISAs, it does not track Memoranda of Understanding/Agreement (MOU/A). These documents outline the terms and conditions for sharing data and information resources in a secure manner. We were told that program offices were responsible for maintaining MOU/As. While we have no issue with the program offices maintaining the memoranda, the OCIO should track MOU/As to ensure that valid agreements are in place for each documented ISA.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that a valid MOU/A exists for every interconnection.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.

**Title: Flash Audit: OPM's Infrastructure Improvement**

**Report #: 4A-CI-00-15-055**

**Date: June 17, 2015**

<b>Rec. #1</b>	<b>Finding</b>	<u>Project Management Activities</u> : OPM has not yet defined the scope and budget sources for the entire Infrastructure as a Service (IaaS) Project. The agency has not followed standard, and critical, project management steps, many of which are required by OMB.
	<b>Recommendation</b>	The OIG recommends that OPM's OCIO complete an OMB Major IT Business Case document as part of the FY 2017 budget process and submit this document to OMB for approval. Associated with this effort, the OCIO should complete its assessment of the scope of the migration process, the level of effort required to complete it, and its estimated costs. Furthermore, the OCIO should implement the project management processes required by OMB and recommended by ISACA's COBIT and the COSO framework.
	<b>Status</b>	OPM subsequently agreed to implement this recommendation. The OIG reviewed evidence submitted by OPM to support closure of the recommendation and provided comments explaining why this evidence was not sufficient to close the recommendation. OPM is taking further corrective actions. The OIG has not yet received evidence that full implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for minimizing the risk of a major project failure.

**Title: Audit of Information Security Controls of OPM's AHBOSS**

**Report #: 4A-RI-00-15-019**

**Date: July 29, 2015**

<b>Rec. #3</b>	<b>Finding</b>	<u>Identification and Authentication (Organizational Users)</u> : General Dynamics Information Technology (GDIT) has not implemented multi-factor authentication utilizing PIV cards for access to AHBOSS, in accordance with OMB Memorandum M-11-11.
	<b>Recommendation</b>	The OIG recommends that RS require GDIT to enforce PIV authentication for all required AHBOSS users.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and authenticating system users.
<b>Rec. #4</b>	<b>Finding</b>	<u>Physical Access Control</u> : the data center hosting AHBOSS uses electronic card readers to control access to the building and data center. It has no multi-factor authentication or [REDACTED] controls in place.
	<b>Recommendation</b>	The OIG recommends that RS ensure that the physical access controls at the data center hosting AHBOSS are improved. At a minimum, we expect to see multi-factor authentication at data center entrances and controls.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for physical access the data center.

**Title: Federal Information Security Management Act Audit FY 2015**

**Report #: 4A-CI-00-15-011**

**Date: November 10, 2015**

<b>Rec. #2*</b>	<b>Finding</b>	<u>SDLC Methodology</u> : OPM has a history of troubled system development projects. In our opinion, the root cause of these issues relates to the lack of central policy and oversight of systems development.
	<b>Recommendation</b>	The OIG continues to recommend that the OCIO develop a plan and timeline to enforce the new SDLC policy to all of OPM's system development projects.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2015**

<b>Rec. #3*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Eleven OPM systems are operating without an active Security Assessment and Authorization.
	<b>Recommendation</b>	The OIG recommends that all active systems in OPM's inventory have a complete and current Authorization.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #4*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Several OPM systems are operating without an active Security Assessment and Authorization. In our opinion, one root cause of this issue relates to the lack of accountability for system owners that fail to subject their systems to the Authorization process.
	<b>Recommendation</b>	The OIG recommends that the performance standards of all OPM system owners be modified to include a requirement related to FISMA compliance for the information systems they own. At a minimum, system owners should be required to ensure that their systems have valid Authorizations.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #7*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of all of its systems on an annual basis. In FY 2015, 16 systems were not subject to adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #8*</b>	<b>Finding</b>	<u>Baseline Configurations</u> : In FY 2015, OPM has continued its efforts toward formalizing baseline configurations for critical applications, servers, and workstations. The OCIO had established baselines for several operating systems, but not for all that the agency uses in its environment.
	<b>Recommendation</b>	The OIG recommends that the OCIO develop and implement a baseline configuration for all operating platforms in use by OPM including, but not limited to, ██████████, and ██████████.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2015**

<b>Rec. #9*</b>	<b>Finding</b>	<u>Configuration Auditing</u> : There are several operating platforms used by OPM that do not have documented and approved baselines. Without approved baseline configurations these systems cannot be subject to an adequate compliance audit.
	<b>Recommendation</b>	The OIG recommends the OCIO conduct routine compliance scans against established baseline configurations for all servers and databases in use by OPM. This recommendation cannot be addressed until Recommendation 7 has been completed.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
<b>Rec. #10*</b>	<b>Finding</b>	<u>Vulnerability Scanning</u> : We were told in an interview that OPM performs monthly vulnerability scans using automated scanning tools. However, we have been unable to obtain tangible evidence that vulnerability scans have been routinely conducted for all OPM servers in FY 2014.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to ensure routine vulnerability scanning is conducted on all network devices documented within the inventory.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for detecting and remediating vulnerabilities.
<b>Rec. #11*</b>	<b>Finding</b>	<u>Vulnerability Scanning</u> : The OCIO does not centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for tracking and remediating vulnerabilities.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2015**

<b>Rec. #13</b>	<b>Finding</b>	<u>Unsupported Software</u> : The results of our vulnerability scans indicated that OPM’s production environment contains severely out-of-date and unsupported software and operating platforms.
	<b>Recommendation</b>	The OIG recommends the OCIO implement a process to ensure that only supported software and operating platforms are utilized within the network environment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring up-to-date software and operating platforms.
<b>Rec. #14*</b>	<b>Finding</b>	<u>Patching Management</u> : Through our independent vulnerability scans on a sample of servers we determined that numerous servers are not timely patched.
	<b>Recommendation</b>	The OIG recommends the OCIO implement a process to apply operating system and third party vendor patches in a timely manner, which is defined within the OPM Information Security and Privacy Policy Handbook.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for keeping information systems up-to-date with patches and service packs.
<b>Rec. #16*</b>	<b>Finding</b>	<u>Multi-factor Authentication</u> : OMB Memorandum M-11-11 required all federal information systems to be upgraded to use PIV credentials for multi-factor authentication by FY 2012. However, as of the end of the FY 2014, none of the 47 major systems at OPM require PIV authentication.
	<b>Recommendation</b>	The OIG recommends that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.

\* represents repeat recommendations.



**Continued: Federal Information Security Management Act Audit FY 2015**

<b>Rec. #24*</b>	<b>Finding</b>	<u>Contingency Plans</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. We received updated contingency plans for 41 out of 47 information systems on OPM’s master system inventory.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all of OPM’s major systems have contingency plans in place and are reviewed and updated annually.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #25*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. In FY 2014, eight were not subject to adequate contingency plan tests.
	<b>Recommendation</b>	The OIG recommends that OPM’s program offices test the contingency plans for each system on an annual basis. The contingency plans should be tested for the systems that were not subject to adequate testing in FY 2014 as soon as possible.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency’s progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #26*</b>	<b>Finding</b>	<u>Contractor System Documentation</u> : The OCIO maintains a separate spreadsheet documenting interfaces between OPM and contractor-operated systems and the related Interconnection Security Agreements (ISA). However, many of the documented ISAs have expired.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all ISAs are valid and properly maintained.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that security agreements between contractor systems and agency systems are adequately tracked and maintained.

\* represents repeat recommendations.



**Continued: Federal Information Security Management Act Audit FY 2015**

<b>Rec. #27*</b>	<b>Finding</b>	<u>Contractor System Documentation</u> : While the OCIO tracks ISAs, it does not track Memoranda of Understanding/Agreement (MOU/A). These documents outline the terms and conditions for sharing data and information resources in a secure manner. We were told that program offices were responsible for maintaining MOU/As. While we have no issue with the program offices maintaining the memoranda, the OCIO should track MOU/As to ensure that valid agreements are in place for each documented ISA.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that a valid MOU/A exists for every interconnection.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.

**Title: Second Status Report: OPM's Infrastructure Improvement**  
**Report #: 4A-CI-00-16-037**  
**Date: May 18, 2016**

<b>Rec. #1</b>	<b>Finding</b>	<u>Major IT Business Case</u> : OPM completed a Business Case for its infrastructure improvement project. However, OPM officials failed to perform almost all of the capital planning activities that are required to be associated with a Business Case document.
	<b>Recommendation</b>	The OIG recommends that OPM complete an Analysis of Alternatives as described in the Capital Programming Guide supplement to OMB Circular A-11 as soon as possible. This analysis should recognize changes in the internal and external environment and no consideration should be given to funds already spent associated with the Project (i.e., avoid the sunk cost fallacy).
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for minimizing the risk of a major project failure.

\* represents repeat recommendations.

**Continued: Second Status Report: OPM's Infrastructure Improvement**

<b>Rec. #2</b>	<b>Finding</b>	<u>Lifecycle Cost Estimates</u> : OPM's Business Case submitted to OMB with the FY 2017 budget request outlines the costs already incurred for this Project along with reasonable short-term cost estimates to finish developing the IaaS portion. However, its cost estimates for modernizing and migrating its information systems to the new environment are unsubstantiated because of the incomplete inventory and technical analysis.
	<b>Recommendation</b>	The OIG recommends that OPM leverage the application profiling scoring framework to develop cost estimates for modernizing and/or migrating all OPM information systems, and use this information to support the capital planning activities referenced in Recommendation 1. The Business Case should be continuously updated to reflect these cost estimates as they become more concrete.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for minimizing the risk of a major project failure.

**Title: Audit of OPM's Web Application Security Review**

**Report #: 4A-CI-00-16-061**

**Date: October 13, 2016**

<b>Rec. #1</b>	<b>Finding</b>	<u>Web Application Inventory</u> : OPM does not maintain an adequate inventory of web applications. OPM's OCIO has developed an inventory of servers, databases, and network devices, but the inventory does not identify the purpose, role, or owner of each device.
	<b>Recommendation</b>	The OIG recommends that OPM create a formal and comprehensive inventory of web applications. The inventory should identify which applications are public facing and contain personally identifiable information or sensitive agency information, identify the application owner, and itemize all system interfaces with the web application.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and documenting web based applications.

**Continued: Audit of OPM's Web Application Security Review**

<b>Rec. #2</b>	<b>Finding</b>	<u>Policies and Procedures</u> : OPM maintains information technology (IT) security policies and procedures that address NIST SP 800-53 security controls. OPM also maintains system development policies and standards. While these policies, procedures, and standards apply to all IT assets, they are written at a high level and do not address some critical areas specific to web application security and development.
	<b>Recommendation</b>	The OIG recommends that OPM create or update its policies and procedures to provide guidance specific to the hardening of web server operating systems and the secure design and coding of web-based applications.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for establishing policy and procedures governing the hardening of web applications.
<b>Rec. #3</b>	<b>Finding</b>	<u>Web Application Vulnerability Scanning</u> : While the OCIO was able to provide historical server vulnerability scan results, we were told that there is not a formal process in place to perform routine credentialed web application vulnerability scans (however, ad-hoc non-credentialed scans were performed).
	<b>Recommendation</b>	The OIG recommends that OPM implement a process to perform credentialed web application vulnerability scans and track any identified vulnerabilities until they are remediated.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for detecting and tracking vulnerabilities.
<b>Rec. #4</b>	<b>Finding</b>	<u>Web Application Vulnerability Scanning</u> : The results of the credentialed web application scans that we performed during this review indicate that several applications and the servers hosting these applications contain security weaknesses.
	<b>Recommendation</b>	The OIG recommends that OPM analyze our scan results to identify false positives and remediate any verified vulnerabilities.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for remediating vulnerabilities.

**Title: Federal Information Security Management Act Audit FY 2016****Report #: 4A-CI-00-16-039****Date: November 9, 2016**

<b>Rec. #1</b>	<b>Finding</b>	<u>Security Management Structure</u> : OPM has experienced a high turnover rate for ISSO and CISO positions and has struggled to backfill these vacancies.
	<b>Recommendation</b>	The OIG recommends that OPM hire a sufficient number of ISSOs to adequately support all of the agency's major information systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security.
<b>Rec. #3*</b>	<b>Finding</b>	<u>SDLC Methodology</u> : OPM has a history of troubled system development projects. In our opinion, the root cause of these issues relates to the lack of central policy and oversight of systems development.
	<b>Recommendation</b>	The OIG continues to recommend that the OCIO develop a plan and timeline to enforce the new SDLC policy on all of OPM's system development projects.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.
<b>Rec. #4*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : OPM systems are operating without an active Security Assessment and Authorization.
	<b>Recommendation</b>	The OIG recommends that all active systems in OPM's inventory have a complete and current Authorization.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #5*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Several OPM systems are operating without an active Security Assessment and Authorization. In our opinion, one root cause of this issue relates to the lack of accountability for system owners that fail to subject their systems to the Authorization process.
	<b>Recommendation</b>	The OIG recommends that the performance standards of all OPM system owners be modified to include a requirement related to FISMA compliance for the information systems they own. At a minimum, system owners should be required to ensure that their systems have valid Authorizations.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

**Continued: Federal Information Security Management Act Audit FY 2016**

<b>Rec. #8</b>	<b>Finding</b>	<u>Adherence to Remediation Deadlines:</u> Of OPM's 46 major information systems, 43 have POA&M items that are greater than 120 days overdue. Further, 85% of open POA&Ms are over 30 days overdue and over 78% are over 120 days overdue.
	<b>Recommendation</b>	The OIG recommends that OPM adhere to remediation dates for its POA&M weaknesses.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.
<b>Rec. #9*</b>	<b>Finding</b>	<u>Contractor System Documentation:</u> The OCIO maintains a separate spreadsheet documenting interfaces between OPM and contractor-operated systems and the related Interconnection Security Agreements (ISA). However, many of the documented ISAs have expired.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all ISAs are valid and properly maintained.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that security agreements between contractor systems and agency systems are adequately tracked and maintained.
<b>Rec. #10*</b>	<b>Finding</b>	<u>Contractor System Documentation:</u> While the OCIO tracks ISAs, it does not track Memorandums of Understanding/Agreement (MOU/A). These documents outline the terms and conditions for sharing data and information resources in a secure manner. We were told that program offices were responsible for maintaining MOU/As. While we have no issue with the program offices maintaining the memorandums, the OCIO should track MOU/As to ensure that valid agreements are in place for each documented ISA.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that a valid MOU/A exists for every interconnection.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2016**

<b>Rec. #11</b>	<b>Finding</b>	<u>System Inventory</u> : OPM’s system inventory lists the devices and software in the environment, but does not describe the specific servers the software resides on or the information systems the devices and software support.
	<b>Recommendation</b>	The OIG recommends that OPM improve its system inventory by correlating the elements of the inventory to the servers and information systems they reside on.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for oversight, risk management, and securing the agency’s information systems.
<b>Rec. #12*</b>	<b>Finding</b>	<u>Baseline Configurations</u> : In FY 2016, OPM has continued its efforts toward formalizing baseline configurations for critical applications, servers, and workstations. The OCIO had established baselines for several operating systems, but not for all that the agency uses in its environment.
	<b>Recommendation</b>	The OIG recommends that the OCIO develop and implement a baseline configuration for all operating platforms in use by OPM including, but not limited to, [REDACTED], and [REDACTED].
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
<b>Rec. #13*</b>	<b>Finding</b>	<u>Document Deviations to the Standard Configuration Baseline</u> : OPM does not maintain a record of the specific deviations from generic configuration standards.
	<b>Recommendation</b>	Where an OPM configuration standard is based on a pre-existing generic standard, The OIG recommends that OPM document all instances where the OPM-specific standard deviates from the recommended configuration setting.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for effectively auditing a system’s actual settings.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2016**

<b>Rec. #14*</b>	<b>Finding</b>	<u>Vulnerability Scanning</u> : We were told in an interview that OPM performs monthly vulnerability scans using automated scanning tools. However, we have been unable to obtain tangible evidence that vulnerability scans have been routinely conducted for all OPM servers in FY 2016.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to ensure routine vulnerability scanning is conducted on all network devices documented within the inventory.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for detecting and remediating vulnerabilities.
<b>Rec. #15</b>	<b>Finding</b>	<u>Unsupported Software</u> : The results of our vulnerability scans indicated that OPM’s production environment contains severely out-of-date and unsupported software and operating platforms.
	<b>Recommendation</b>	The OIG recommends the OCIO implement a process to ensure that only supported software and operating platforms are used within the network environment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring up-to-date software and operating platforms.
<b>Rec. #16*</b>	<b>Finding</b>	<u>Configuration Auditing</u> : There are several operating platforms used by OPM that do not have documented and approved baselines. Without approved baseline configurations these systems cannot be subject to an adequate compliance audit.
	<b>Recommendation</b>	The OIG recommends the OCIO conduct routine compliance scans against established baseline configurations for all servers and databases in use by OPM. This recommendation cannot be addressed until Recommendation 13 has been completed.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2016**

<b>Rec. #17*</b>	<b>Finding</b>	<u>Vulnerability Scanning</u> : The OCIO does not centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for tracking and remediating vulnerabilities.
<b>Rec. #18*</b>	<b>Finding</b>	<u>Patching Management</u> : Through our independent vulnerability scans on a sample of servers we determined that numerous servers are not timely patched.
	<b>Recommendation</b>	The OIG recommends the OCIO implement a process to apply operating system and third party vendor patches in a timely manner, which is defined within the OPM Information Security and Privacy Policy Handbook.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for keeping information systems up-to-date with patches and service packs.
<b>Rec. #19</b>	<b>Finding</b>	<u>Contractor Access Termination</u> : OPM does not maintain a complete list of the contractors with access to OPM's network and the termination process for contractors is de-centralized.
	<b>Recommendation</b>	The OIG recommends that the OCIO maintain a centralized list of all contractors that have access to the OPM network and use this list to routinely audit all user accounts for appropriateness.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing appropriate access to information systems.

\* represents repeat recommendations.



**Continued: Federal Information Security Management Act Audit FY 2016**

<b>Rec. #20*</b>	<b>Finding</b>	<u>Multi-factor Authentication</u> : OMB Memorandum M-11-11 required all federal information systems to be upgraded to use PIV credentials for multi-factor authentication by FY 2012. However, as of the end of the FY 2016, none of the 46 major systems at OPM require PIV authentication.
	<b>Recommendation</b>	The OIG recommends that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.
<b>Rec. #23*</b>	<b>Finding</b>	<u>Test of Security Controls</u> : FISMA requires agencies to test the security controls of its systems on an annual basis. In FY 2017, 16 systems were not subject to adequate security control tests.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #25*</b>	<b>Finding</b>	<u>Contingency Plans</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis. We received updated contingency plans for 41 out of 47 information systems on OPM's master system inventory.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all of OPM's major systems have contingency plans in place and are reviewed and updated annually.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

\* represents repeat recommendations.

**Continued: Federal Information Security Management Act Audit FY 2016**

<b>Rec. #26*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : FISMA requires that a contingency plan be in place for each major application, and that the contingency plan be tested on an annual basis.
	<b>Recommendation</b>	The OIG recommends that OPM's program offices test the contingency plans for each system on an annual basis.
	<b>Status</b>	OPM is taking corrective actions and the OIG will assess the agency's progress as part of the next annual audit.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

**Title: Audit of Information Security Controls of OPM's FACES**

**Report #: 4A-RS-00-16-035**

**Date: November 21, 2016**

<b>Rec. #11</b>	<b>Finding</b>	[REDACTED]
	<b>Recommendation</b>	[REDACTED]
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for adequately segregating the public facing and internal components of FACES.

<b>Rec. #12</b>	<b>Finding</b>	[REDACTED]
	<b>Recommendation</b>	[REDACTED]
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for the protection of sensitive information from inappropriate disclosure.

\* represents repeat recommendations.

**Title: Audit of OPM's Security Assessment and Authorization****Report #: 4A-CI-00-17-014****Date: June 20, 2017**

<b>Rec. #1</b>	<b><i>Finding</i></b>	<u>System Security Plan</u> : The LAN/WAN SSP does not fully and accurately identify all of the security controls applicable to this system.
	<b><i>Recommendation</i></b>	The OIG recommends that the OCIO complete an SSP for the LAN/WAN that includes all of the required elements from OPM's SSP template and relevant National Institute of Standards and Technology (NIST) guidance. This includes, but is not limited to, the specific deficiencies outlined in the section above.
	<b><i>Status</i></b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved controls for ensuring that system security controls are properly documented.
<b>Rec. #2</b>	<b><i>Finding</i></b>	<u>System Controls Assessment</u> : The LAN/WAN security controls assessment likely did not identify vulnerabilities that could have been detected with a thorough test.
	<b><i>Recommendation</i></b>	The OIG recommends that the OCIO perform a thorough security controls assessment on the LAN/WAN. This assessment should address the deficiencies listed in the section above, and should be completed after a current and thorough SSP is in place (see Recommendation 1).
	<b><i>Status</i></b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #3</b>	<b><i>Finding</i></b>	<u>Plan of Action and Milestones</u> : OPM was unable to provide a POA&M for the LAN/WAN.
	<b><i>Recommendation</i></b>	The OIG recommends that the OCIO update and maintain a complete POA&M list for the LAN/WAN.
	<b><i>Status</i></b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved controls for tracking know information security weaknesses.

**Continued: Audit of OPM's Security Assessment and Authorization**

<b>Rec. #4</b>	<b>Finding</b>	<u>Other Authorization Packages</u> : Many of the Authorization packages completed as part of the Sprint were not complete.
	<b>Recommendation</b>	The OIG recommends that the OCIO perform a gap analysis to determine what critical elements are missing and/or incomplete for all Authorization packages developed during the Sprint. For systems that reside on the LAN/WAN general support system, the OCIO should also evaluate the impact that an updated LAN/WAN SSP has on these systems' security controls.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that system risk has been assessed before being approved to operate.

**Title: Audit of OPM's Federal Financial System**

**Report #: 4A-CF-00-17-044**

**Date: September 29, 2017**

<b>Rec. #1</b>	<b>Finding</b>	<u>Privacy Impact Assessment (PIA)</u> : The Privacy Threshold Analysis and the Privacy Impact Assessment are both incomplete and have not been approved or signed.
	<b>Recommendation</b>	The OIG recommends that OPM fully completes and approves a PIA for BFMS.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying privacy vulnerabilities existing on the information system.

**Title: Audit of OPM's SharePoint Implementation**

**Report #: 4A-CI-00-17-030**

**Date: September 29, 2017**

<b>Rec. #1</b>	<b>Finding</b>	<u>System Classification</u> : OPM has not assessed whether SharePoint should be considered a "major" information system requiring a formal authorization. Additionally, SharePoint is not currently listed on any OPM system inventory.
	<b>Recommendation</b>	The OIG recommends that OPM conduct an analysis to determine the appropriate classification of SharePoint as an information system. If it is classified as a major system, OPM should conduct a full Authorization of SharePoint. If it is classified as a minor application, OPM should update the Authorization of the major system that hosts SharePoint to account for its security control needs and risks. We also recommend that OPM track SharePoint on its system inventories.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for properly representing the potential security risks the system faces.

**Continued: Audit of OPM's SharePoint Implementation**

<b>Rec. #2</b>	<b>Finding</b>	<u>Policies and Procedures</u> : OPM has not established policies and procedures specific to SharePoint.
	<b>Recommendation</b>	The OIG recommends that OPM establish policies and procedures to address SharePoint's security controls and the risks associated with operating the software in OPM's production environment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for documenting information security policies and procedures.
<b>Rec. #3</b>	<b>Finding</b>	<u>Specialized Training</u> : OPM SharePoint administrators and/or site owners do not receive training specific to SharePoint administration and management.
	<b>Recommendation</b>	The OIG recommends that OPM require employees with administrative or managerial responsibilities over SharePoint to take specialized training related to the software.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security risks at OPM.
<b>Rec. #4</b>	<b>Finding</b>	<u>User Account Provisioning</u> : OPM does not have a formal process in place to document all of the SharePoint user accounts approved and provisioned.
	<b>Recommendation</b>	The OIG recommends that OPM implement formal procedures for requesting and provisioning SharePoint user accounts.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing appropriate access to information systems.
<b>Rec. #5</b>	<b>Finding</b>	<u>User Account Auditing</u> : As noted above, OPM does not have a formal process in place to document all of the SharePoint user accounts approved and provisioned, and therefore it cannot effectively conduct routine audits to ensure access is being granted, modified, and removed appropriately.
	<b>Recommendation</b>	The OIG recommends that OPM implement a formal process to routinely audit SharePoint user accounts for appropriateness. This audit should include verifying individuals are still active employees or contractors and their level of access is appropriate.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing appropriate access to information systems.

**Continued: Audit of OPM's SharePoint Implementation**

<b>Rec. #6</b>	<b>Finding</b>	<u>Security Configuration Standards and Audits</u> : OCIO has not documented formal security configuration standards for its SharePoint application.
	<b>Recommendation</b>	The OIG recommends that OPM document approved security configuration settings for its SharePoint application.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
<b>Rec. #7</b>	<b>Finding</b>	<u>Security Configuration Standards and Audits</u> : OCIO has not documented formal security configuration standards for its SharePoint application and thereby cannot routinely audit the SharePoint configuration settings against these standards.
	<b>Recommendation</b>	The OIG recommends that OPM implement a process to routinely audit the configuration settings of SharePoint to ensure they are in compliance with the approved security configuration standards. Note – this recommendation cannot be implemented until the controls from Recommendation 6 are in place.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
<b>Rec. #8</b>	<b>Finding</b>	<u>Patch Management</u> : Vulnerability scans revealed several servers missing critical patches released more than 90 days before the scans took place. The OCIO responded that they were aware of the missing patches, but with no test environment to test the patches before being deployed into production SharePoint servers, the decision was made to not apply the critical patches.
	<b>Recommendation</b>	The OIG recommends that OPM implement a process to test patches on its SharePoint servers. Once this process has been implemented, we recommend OPM implement controls to ensure all critical patches are installed on SharePoint servers and databases in a timely manner as defined by OPM policies.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for keeping information systems up-to-date with patches and service packs.

**Title: Federal Information Security Modernization Act Audit FY 2017****Report #: 4A-CI-00-17-020****Date: October 27, 2017**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Security Governance</u> : OPM does not have the appropriate resources in place to manage its cybersecurity program.
	<b>Recommendation</b>	The OIG recommends that OPM hire a sufficient number of qualified Information System Security Officers (ISSOs) to adequately support all of the agency's major information systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security.
<b>Rec. #2*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : OPM is operating production systems that have not been subject to a complete and current Authorization.
	<b>Recommendation</b>	The OIG recommends that all active systems in OPM's inventory have a complete and current Authorization.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #3*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : OPM is operating production systems that have not been subject to a complete and current Authorization.
	<b>Recommendation</b>	The OIG recommends that the performance standards of all OPM system owners be modified to include a requirement related to FISMA compliance for the information systems they own. At a minimum, system owners should be required to ensure that their systems have valid Authorizations.
	<b>Status</b>	OPM disagreed with this recommendation. However, the agency stated that it will consult with subject matter experts to determine whether and how to implement the recommendation.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #4*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : OPM's system inventory does not include all of the system interconnections.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that all ISAs are valid and properly maintained.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #5*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : OPM's system inventory does not include all of the system interconnections.
	<b>Recommendation</b>	The OIG recommends that the OCIO ensure that a valid MOU/A exists for every interconnection.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.
<b>Rec. #6*</b>	<b>Finding</b>	<u>Hardware Inventory</u> : OPM's hardware inventory does not contain information that associates hardware components to the major system(s) that they support.
	<b>Recommendation</b>	The OIG recommends that OPM improve its system inventory by correlating the elements of the inventory to the servers and information systems they reside on.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and documenting systems and assets.
<b>Rec. #7</b>	<b>Finding</b>	<u>Software Inventory</u> : OPM's software inventory does not contain the level of detail necessary for thorough tracking and reporting.
	<b>Recommendation</b>	The OIG recommends that OPM define the standard data elements for an inventory of software assets and licenses with the detailed information necessary for tracking and reporting, and that it update its software inventory to include these standard data elements.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for understanding the information assets in the organization's environment.
<b>Rec. #9</b>	<b>Finding</b>	<u>Information Security Architecture</u> : OPM's enterprise architecture has not been updated since 2008, and it does not support the necessary integration of an information security architecture.
	<b>Recommendation</b>	The OIG recommends that OPM update its enterprise architecture to include the information security architecture elements required by NIST and OMB guidance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for aligning the agency's security processes, systems, and personnel with the agency mission and strategic plan.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #11*</b>	<b>Finding</b>	<u>Plan of Action and Milestones</u> : Over 96 percent of POA&Ms were more than 30 days overdue and over 88 percent were more than 120 days overdue.
	<b>Recommendation</b>	The OIG recommends that OPM adhere to remediation dates for its POA&M weaknesses.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.
<b>Rec. #12</b>	<b>Finding</b>	<u>Plan of Action and Milestones</u> : Over 96 percent of POA&Ms were more than 30 days overdue and over 88 percent were more than 120 days overdue.
	<b>Recommendation</b>	The OIG recommends that OPM update its POA&M entries to reflect both the original and updated remediation deadlines when the control weakness has not been addressed by the originally scheduled deadline (i.e., the POA&M deadline should not reflect a date in the past).
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.
<b>Rec. #13</b>	<b>Finding</b>	<u>System Level Risk Assessments</u> : A majority of risk assessments for systems that were authorized in FY 2017 had issues with the security control testing and/or the corresponding risk assessment.
	<b>Recommendation</b>	The OIG recommends that OPM complete risk assessments for each major information system that are compliant with NIST guidelines and OPM policy. The results of a complete and comprehensive test of security controls should be incorporated into each risk assessment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for conducting risk assessments.
<b>Rec. #14</b>	<b>Finding</b>	<u>Centralized Enterprise-wide Risk Tool</u> : OPM does not have a centralized system or tool to view enterprise-wide risk information, nor has it defined requirements to develop one.
	<b>Recommendation</b>	The OIG recommends that OPM identify and define the requirements for an automated enterprise-wide solution for tracking risks, remediation efforts, dependencies, risk scores, and management dashboards and implement the automated enterprise-wide solution.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for capturing risk information, keeping risk information current, and assessing risk information in aggregate.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #15*</b>	<b>Finding</b>	<u>System Development Life Cycle</u> : Despite a long history of troubled system development projects, OPM still does not consistently enforce a comprehensive SDLC.
	<b>Recommendation</b>	The OIG recommends that the OCIO develop a plan and timeline to enforce the new SDLC policy on all of OPM's system development projects.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.
<b>Rec. #16</b>	<b>Finding</b>	<u>Configuration Management (CM) Roles, Responsibilities, and Resources</u> : OPM has indicated that it does not currently have adequate resources (people, processes, and technology) to effectively manage its CM program.
	<b>Recommendation</b>	The OIG recommends that OPM perform a gap analysis to determine the configuration management resource requirements (people, processes, and technology) necessary to effectively implement the agency's CM program.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying gaps in the agency's configuration management program.
<b>Rec. #17</b>	<b>Finding</b>	<u>Configuration Management Plan</u> : While OPM does document lessons learned from its configuration change control process, it does not currently use these lessons to update and improve its configuration management plan as necessary.
	<b>Recommendation</b>	The OIG recommends that OPM document the lessons learned from its configuration management activities and update its configuration management plan as appropriate.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for analyzing and updating the agency's configuration management plan.
<b>Rec. #18</b>	<b>Finding</b>	<u>Configuration Baselines</u> : OPM has not established baseline configurations for all of its information systems.
	<b>Recommendation</b>	The OIG recommends that OPM develop and implement a baseline configuration for all information systems in use by OPM.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #19</b>	<b>Finding</b>	<u>Configuration Baseline Auditing</u> : OPM has not established baseline configurations for all of its information systems, and therefore is unable to effectively audit its system configurations.
	<b>Recommendation</b>	The OIG recommends that the OCIO conduct routine compliance scans against established baseline configurations for all OPM information systems. This recommendation cannot be addressed until Recommendation 18 has been implemented.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
<b>Rec. #20*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : OPM has not documented a standard security configuration setting for all of its operating platforms.
	<b>Recommendation</b>	The OIG recommends that the OCIO develop and implement standard security configuration settings for all operating platforms in use by OPM.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
<b>Rec. #21*</b>	<b>Finding</b>	<u>Security Configuration Auditing</u> : OPM does not consistently run automated scans to verify that information systems are in compliance with pre-established configuration settings, as they have yet to be developed for all operating platforms.
	<b>Recommendation</b>	The OIG recommends that the OCIO conduct routine compliance scans against the standard security configuration settings for all servers and databases in use by OPM. This recommendation cannot be addressed until Recommendation 20 has been completed.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
<b>Rec. #22*</b>	<b>Finding</b>	<u>Security Configuration Setting Deviations</u> : OPM has not tailored and documented any potential business-required deviations from the configuration standards.
	<b>Recommendation</b>	For OPM configuration standards that are based on a pre-existing generic standard, the OIG recommends that OPM document all instances where the OPM-specific standard deviates from the recommended configuration setting.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for secure configuration of information systems.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #23*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM's scanning tool was unable to successfully scan certain devices within OPM's internal network.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to ensure routine vulnerability scanning is conducted on all network devices documented within the inventory.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying system vulnerabilities.
<b>Rec. #24*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OIG vulnerability scans indicate that OPM's production environment contains many instances of unsupported software and operating platforms.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to ensure that only supported software and operating platforms are used within the network environment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for remediating known vulnerabilities.
<b>Rec. #25*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM does not have a process to record or track the remediation status for weaknesses identified during vulnerability scans.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for remediating known vulnerabilities.
<b>Rec. #26*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM does not have a process to record or track the remediation status for weaknesses identified during vulnerability scans.
	<b>Recommendation</b>	The OIG recommends that the OCIO implement a process to apply operating system and third party vendor patches in a timely manner.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for remediating known vulnerabilities.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #27</b>	<b>Finding</b>	<u>Identity, Credential, and Access Management (ICAM) Roles, Responsibilities, and Resources:</u> OPM does not have a process in place to ensure that adequate resources (people, processes, and technology) are provided to stakeholders to fully implement ICAM controls.
	<b>Recommendation</b>	The OIG recommends that OPM conduct an analysis to identify limitations in the current ICAM program in order to ensure that stakeholders have adequate resources (people, processes, and technology) to implement the agency's ICAM activities.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying the necessary resources required to maintain and progress OPM's ICAM program.
<b>Rec. #28</b>	<b>Finding</b>	<u>ICAM Strategy:</u> OPM has not developed an ICAM strategy that includes a review of current practices ("as-is" assessment), identification of gaps (from a desired or "to-be" state), and a transition plan.
	<b>Recommendation</b>	The OIG recommends that OPM develop and implement an ICAM strategy that considers a review of current practices ("as-is" assessment) and the identification of gaps (from a desired or "to-be" state), and contains milestones for how the agency plans to align with Federal ICAM initiatives.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring the success of the agency's ICAM initiatives.
<b>Rec. #29</b>	<b>Finding</b>	<u>Implementation of an ICAM Program:</u> OPM has not implemented Personal Identity Verification (PIV) at the application level, and does not adequately manage contractor accounts.
	<b>Recommendation</b>	The OIG recommends that OPM implement a process to capture and share lessons learned on the effectiveness of its ICAM policies, procedures, and processes to update the program.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the ICAM program with speed and efficiency.

**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #30*</b>	<b>Finding</b>	<u>Multi-factor Authentication with PIV</u> : PIV authentication at the application level is only in place for 3 of OPM's 46 major applications.
	<b>Recommendation</b>	The OIG recommends that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.
<b>Rec. #31</b>	<b>Finding</b>	<u>Contractor Access Management</u> : OPM does not maintain a complete list of all contractors who have access to OPM's network, so there is no way for the OCIO to audit the termination process to ensure that contractor accounts are removed in a timely manner.
	<b>Recommendation</b>	The OIG recommends that the OCIO maintain a centralized list of all contractors that have access to the OPM network and use this list to routinely audit all user accounts for appropriateness.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for limiting inappropriate access to critical or sensitive resources.
<b>Rec. #32</b>	<b>Finding</b>	<u>Assessment of Workforce</u> : OPM has not defined a process for conducting an assessment of the knowledge, skills, and abilities of its workforce to determine employees' specialized training needs.
	<b>Recommendation</b>	The OIG recommends that OPM develop and conduct an assessment of its workforce's knowledge, skills and abilities in order to identify any skill gaps and specialized training needs.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring OPM staff is fully prepared to address the security threats facing the agency.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #34</b>	<b>Finding</b>	<u>Information Security Continuous Monitoring (ISCM) Roles, Responsibilities, and Resources</u> : The weaknesses that the OIG identified in OPM’s ISCM program indicate that the agency does not have adequate resources to effectively implement the activities required by its ISCM strategy and policies. Furthermore, OPM has not implemented a process to identify the ISCM resource gaps it would need to fill in order to effectively implement its ISCM program.
	<b>Recommendation</b>	The OIG recommends that OPM conduct an analysis to identify any resource gaps within its current ISCM program. OPM should use the results of this gap analysis to ensure stakeholders have adequate resources to effectively implement ISCM activities based on OPM’s policies and procedures.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for protecting sensitive information.
<b>Rec. #35*</b>	<b>Finding</b>	<u>Ongoing Security Assessments</u> : The OIG submitted multiple requests for the security control testing documentation for all OPM systems in order to review them for quality and consistency. However, the OIG was only provided evidence that 9 of OPM’s 46 major systems were subject to security controls testing in FY 2017 that complied with OPM’s ISCM submission schedule.
	<b>Recommendation</b>	The OIG recommends that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the agency’s ISCM strategy and thereby reducing the risk of an attack.
<b>Rec. #36</b>	<b>Finding</b>	<u>Measuring ISCM Program Effectiveness</u> : OPM has failed to complete the first step necessary to assess the effectiveness of its ISCM program – to collect the necessary baseline data by actually assessing the security controls of its systems.
	<b>Recommendation</b>	The OIG recommends that OPM evaluate qualitative and quantitative performance measures on the performance of its ISCM program once it can consistently acquire security assessment results, as referenced in recommendation 35.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring proper security controls are in place.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2017**

<b>Rec. #37</b>	<b>Finding</b>	<u>Business Impact Analysis (BIA)</u> : OPM has not performed an agency-wide BIA, and therefore, risks to the agency as a whole are not incorporated into the system-level BIAs and/or contingency plans.
	<b>Recommendation</b>	The OIG recommends that the OCIO conduct an agency-wide BIA and incorporate the results into the system-level contingency plans.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for being able to restore systems based on criticality and, therefore, be able to meet its recovery time objectives and mission.
<b>Rec. #38*</b>	<b>Finding</b>	<u>Contingency Plan Maintenance</u> : In FY 2017, the OIG received evidence that contingency plans exist for only 40 of OPM's 46 major systems. Of those 40 contingency plans, only 12 had been reviewed and updated in FY 2017.
	<b>Recommendation</b>	We recommend that the OCIO ensure that all of OPM's major systems have contingency plans in place and that they are reviewed and updated annually.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #39*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : Only 5 of the 46 major information systems were subject to an adequate contingency plan test in fiscal year 2017. Furthermore, contingency plans for 11 of 46 major systems have not been tested for 2 years or longer.
	<b>Recommendation</b>	The OIG recommends that OPM test the contingency plans for each system on an annual basis.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

\* represents repeat recommendations.



**Title: OPM's FY 2017 IT Modernization Expenditure Plan**

**Report #: 4A-CI-00-18-022**

**Date: February 15, 2018**

<b>Rec. #3</b>	<b>Finding</b>	<u>Modernization Strategy</u> : OPM still does not have a fully developed modernization strategy. The strategy also does not meet the capital planning and investment control (CPIC) requirements in OMB Circular A-11, part 7, which lays out the principles of acquisition and management of capital IT investments.
	<b>Recommendation</b>	The OIG recommends that OPM develop a comprehensive IT modernization strategy with input from the appropriate stakeholders and convene an Integrated Project Team, as required by OMB Circular A-11, Part 7, to manage the overall modernization program and ensure that proper CPIC processes are followed.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for effectively implementing a comprehensive IT modernization strategy.
<b>Rec. #4</b>	<b>Finding</b>	<u>Modernization Strategy</u> : The OIG believes that OPM's business units continue to have an improper level of influence over IT management, and that the CIO's office does not directly receive the dedicated funding needed to fulfill its mission.
	<b>Recommendation</b>	The OIG recommends that the OPM Director ensure that the CIO has the appropriate level of control over the IT acquisition and budgeting process across all of OPM.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for establishing the proper resources needed for the planning and execution of a successful IT modernization strategy.

**Title: Audit of OPM's USA Staffing System**

**Report #: 4A-HR-00-18-013**

**Date: May 10, 2018**

<b>Rec. #3</b>	<b>Finding</b>	<u>Unapproved Configuration Deviations</u> : Configuration deviations for the USA Staffing System have not been documented and approved.
	<b>Recommendation</b>	We recommend that OPM apply the approved security configuration settings for the USA Staffing System.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for reducing system weaknesses.

<b>Continued: Audit of OPM's USA Staffing System</b>		
<b>Rec. #4</b>	<b>Finding</b>	<u>Missing Patches</u> : Several of the USA Staffing System servers were missing patches more than 30 days old.
	<b>Recommendation</b>	We recommend that OPM apply system patches in a timely manner and in accordance with policy.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for reducing system weaknesses.

<b>Title: OPM's FY 2018 IT Modernization Expenditure Plan</b>		
<b>Report #: 4A-CI-00-18-044</b>		
<b>Date: June 20, 2018</b>		
<b>Rec. #1</b>	<b>Finding</b>	<u>Unnecessary Projects Targeted</u> : Some of the targeted projects included in OPM's FY 2018 spending plan are not strictly necessary and should not be included in the funding.
	<b>Recommendation</b>	We recommend that the OPM Director ensure that the distribution of FY 2018 IT modernization funds is consistent with strengthening OPM's legacy IT environment, as expressed in the FY 2018 Consolidated Appropriations Act.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for meeting the explicit requirements of the FY 2018 Consolidated Appropriations Act.
<b>Rec. #2</b>	<b>Finding</b>	<u>Unrelated Projects</u> : Business modernization includes several projects that seem unrelated to the intent of Congressional appropriators.
	<b>Recommendation</b>	We recommend that funding for the FEHBP Central Enrollment Database, the Employee Digital Record, and the Consolidated Business Information System migration be obtained using the normal budget process (or other potential sources, such as the Modernizing Government Technology fund), and not from the FY 2018 IT modernization funds.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for meeting the explicit requirements of the FY 2018 Consolidated Appropriations Act.

**Title: Federal Information Security Modernization Act Audit FY 2018**

**Report #: 4A-CI-00-18-038**

**Date: October 30, 2018**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Information Security Governance Program</u> : OPM does not have the appropriate resources in place to manage its cybersecurity program.
	<b>Recommendation</b>	We recommend that the OPM Director ensure that the OCIO has sufficient resources to adequately operate, secure, and modernize agency IT systems. We also recommend that the agency hire a sufficient number of Information System Security Officers (ISSOs) to adequately support all of the agency's major information systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security.
<b>Rec. #3*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Many authorization packages reviewed were not in compliance with NIST requirements. In some cases, the OCIO issued short-term or interim ATOs in violation of OMB guidance.
	<b>Recommendation</b>	We recommend that all active systems in OPM's inventory have a complete and current Authorization.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #4*</b>	<b>Finding</b>	<u>Security Assessment and Authorization</u> : Many authorization packages reviewed were not in compliance with NIST requirements. In some cases, the OCIO issued short-term or interim ATOs in violation of OMB guidance.
	<b>Recommendation</b>	We recommend that the performance standards of all OPM system owners be modified to include a requirement related to FISMA compliance for the information systems they own. At a minimum, system owners should be required to ensure that their systems have valid Authorizations.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #5</b>	<b>Finding</b>	<u>Inventory of Major Systems</u> : The current policy and procedures for defining system boundaries and classifying systems does not appear to contain a sufficient level of detail to be consistently enforced. As a result, there are systems in the production environment currently in a state of limbo without a defined boundary, classification, or Authorization.
	<b>Recommendation</b>	We recommend that OPM improve the policies and procedures for defining system boundaries and classifying the systems in its environment.
	<b>Status</b>	OPM disagreed initially, but subsequently agreed to the recommendation when it was re-issued in the Federal Information Security Modernization Act Audit of FY 2019. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for properly containing, sharing, and protecting sensitive information.
<b>Rec. #6*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : The current policy and procedures for defining system boundaries and classifying systems does not appear to contain a sufficient level of detail to be consistently enforced. As a result, there are systems in the production environment currently in a state of limbo without a defined boundary, classification, or Authorization.
	<b>Recommendation</b>	We recommend that the OCIO ensure that all interconnection security agreements are valid and properly maintained.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.
<b>Rec. #7*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : The current policy and procedures for defining system boundaries and classifying systems does not appear to contain a sufficient level of detail to be consistently enforced. As a result, there are systems in the production environment currently in a state of limbo without a defined boundary, classification, or Authorization.
	<b>Recommendation</b>	We recommend that the OCIO ensure that a valid memorandum of understanding/agreement exists for every interconnection.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #8*</b>	<b>Finding</b>	<u>Hardware Inventory</u> : OPM’s hardware inventory includes many of the required elements, but it does not contain information that associates hardware components to the major system(s) that they support.
	<b>Recommendation</b>	We recommend that OPM improve its system inventory by correlating the elements of the inventory to the servers and information systems they reside on.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and documenting systems and assets.
<b>Rec. #9</b>	<b>Finding</b>	<u>Software Inventory</u> : OPM no longer has a centralized software inventory. Instead, OPM now tracks software information at the system level.
	<b>Recommendation</b>	We recommend that OPM define policies and procedures for a centralized software inventory.
	<b>Status</b>	OPM disagreed initially, but subsequently agreed to the recommendation when it was re-issued in the Federal Information Security Modernization Act Audit of FY 2019. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for understanding the information assets in the organization’s environment.
<b>Rec. #10*</b>	<b>Finding</b>	<u>Software Inventory</u> : OPM no longer has a centralized software inventory. Instead, OPM now tracks software information at the system level.
	<b>Recommendation</b>	We recommend that OPM define the standard data elements for an inventory of software assets and licenses with the detailed information necessary for tracking and reporting, and that it update its software inventory to include these standard data elements.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for understanding the information assets in the organization’s environment.
<b>Rec. #12*</b>	<b>Finding</b>	<u>Information Security Architecture</u> : Efforts are underway to begin developing an enterprise architecture, but projected completion dates are well into FY 2019.
	<b>Recommendation</b>	We recommend that OPM update its enterprise architecture to include the information security architecture elements required by NIST and OMB guidance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for aligning the agency’s security processes, systems, and personnel with the agency mission and strategic plan.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #14*</b>	<b>Finding</b>	<u>Plan of Action and Milestones</u> : Over 81 percent of POA&Ms were more than 30 days overdue, and over 68 percent of POA&Ms are more than 120 days overdue.
	<b>Recommendation</b>	We recommend that OPM adhere to remediation dates for its POA&M weaknesses.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.
<b>Rec. #15*</b>	<b>Finding</b>	<u>Plan of Action and Milestones</u> : Over 81 percent of POA&Ms were more than 30 days overdue, and over 68 percent of POA&Ms are more than 120 days overdue.
	<b>Recommendation</b>	We recommend that OPM update the remediation deadline in its POA&Ms when the control weakness has not been addressed by the originally scheduled deadline (i.e., the POA&M deadline should not reflect a date in the past and the original due should be maintained to track the schedule variance).
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.
<b>Rec. #16*</b>	<b>Finding</b>	<u>System Level Risk Assessments</u> : Of the 23 system Authorization packages requested this fiscal year, complete risk assessments were not provided for 11, and widespread issues were noted with the security controls testing and/or the corresponding risk assessment.
	<b>Recommendation</b>	We recommend that OPM complete risk assessments for each major information system that are compliant with NIST guidelines and OPM policy. The results of a complete and comprehensive test of security controls should be incorporated into each risk assessment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for conducting risk assessments.
<b>Rec. #17*</b>	<b>Finding</b>	<u>Centralized Enterprise-wide Risk Tool</u> : OPM does not have a centralized system or tool to view enterprise-wide risk information.
	<b>Recommendation</b>	We recommend that OPM identify and define the requirements for an automated enterprise-wide solution for tracking risks, remediation efforts, dependencies, risk scores, and management dashboards, and implement the automated enterprise-wide solution.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for capturing current enterprise risk information and assessing it in aggregate.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #18*</b>	<b>Finding</b>	<u>System Development Life Cycle</u> : Despite a long history of troubled system development projects, OPM still does not consistently enforce a comprehensive SDLC.
	<b>Recommendation</b>	We continue to recommend that the OCIO develop a plan and timeline to enforce the new SDLC policy on all of OPM's system development projects.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.
<b>Rec. #19*</b>	<b>Finding</b>	<u>Configuration Management Roles, Responsibilities, and Resources</u> : OPM has indicated that it does not currently have adequate resources (people, processes, and technology) to effectively manage its CM program.
	<b>Recommendation</b>	We recommend that OPM perform a gap analysis to determine the configuration management resource requirements (people, processes, and technology) necessary to effectively implement the agency's CM program.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying gaps in the agency's configuration management program.
<b>Rec. #20*</b>	<b>Finding</b>	<u>Configuration Management Plan</u> : While the agency does document lessons learned from its configuration change control process, it does not currently use these lessons to update and improve its configuration management plan as necessary.
	<b>Recommendation</b>	We recommend that OPM document the lessons learned from its configuration management activities and update its configuration management plan as appropriate.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for analyzing and updating the agency's configuration management plan.
<b>Rec. #21*</b>	<b>Finding</b>	<u>Baseline Configurations</u> : OPM has not developed a baseline configuration for all of its information systems.
	<b>Recommendation</b>	We recommend that OPM develop and implement a baseline configuration for all information systems in use by OPM.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #22*</b>	<b>Finding</b>	<u>Baseline Compliance Scanning</u> : OPM does not currently run baseline configuration checks to verify that information systems are in compliance with pre-established baseline configurations, as they have yet to be developed.
	<b>Recommendation</b>	We recommend that the OCIO conduct routine compliance scans against established baseline configurations for all OPM information systems. This recommendation cannot be addressed until Recommendation 21 has been implemented.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
<b>Rec. #23*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : While OPM has workstation and server build images that leverage common best-practice configuration setting standards, it has yet to document and approve standard security configuration settings for all of its operating platforms nor any potential business-required deviations from these configuration standards.
	<b>Recommendation</b>	We recommend that the OCIO develop and implement [standard security configuration settings] for all operating platforms in use by OPM.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
<b>Rec. #24*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : Without formally documented and approved configuration settings, OPM cannot consistently run automated scans to verify that information systems maintain compliance with the pre-established configuration settings.
	<b>Recommendation</b>	We recommend that the OCIO conduct routine compliance scans against [the standard security configuration settings] for all servers and databases in use by OPM. This recommendation cannot be addressed until Recommendation 23 has been completed.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #25*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : While OPM has workstation and server build images that leverage common best-practice configuration setting standards, it has yet to document and approve standard security configuration settings for all of its operating platforms nor any potential business-required deviations from these configuration standards.
	<b>Recommendation</b>	For OPM configuration standards that are based on a pre-existing generic standard, we recommend that OPM document all instances where the OPM-specific standard deviates from the recommended configuration setting.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for secure configuration of information systems.
<b>Rec. #26</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : Not every device on OPM’s network is scanned routinely, nor is there a formal process in place to ensure that all new devices on the agency’s network are included in the scanning process.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to ensure new server installations are included in the scan repository.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #28*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM’s scanning tool was unable to successfully scan certain devices within OPM’s internal network.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to ensure routine vulnerability scanning is conducted on all network devices documented within the inventory.
	<b>Status</b>	OPM disagreed initially, but subsequently agreed to the recommendation when it was re-issued in the Federal Information Security Modernization Act Audit of FY 2019. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #29*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : The results of our independent vulnerability scans indicate that OPM’s production environment contains many instances of unsupported software and operating platforms.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to ensure that only supported software and operating platforms are used within the network environment.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #30*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM does not have a process to record or track the remediation status for weaknesses identified during vulnerability scans.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #31*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : The results of our independent vulnerability scans indicate that OPM’s production environment contains many instances of unsupported software and operating platforms.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to apply operating system and third party vendor patches in a timely manner.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #32*</b>	<b>Finding</b>	<u>ICAM Roles, Responsibilities, and Resources</u> : The OCIO has lost multiple key personnel in FY 2018 and has many vacant ISSO positions. As such, OPM does not have adequate resources (people, processes, and technology) in place to fully implement ICAM controls.
	<b>Recommendation</b>	We recommend that OPM conduct an analysis to identify limitations in the current ICAM program in order to ensure that stakeholders have adequate resources (people, processes, and technology) to implement the agency’s ICAM activities.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying the necessary resources required to maintain and progress OPM’s ICAM program.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #33*</b>	<b>Finding</b>	<u>ICAM Strategy</u> : OPM has not developed an ICAM strategy that includes a review of current practices (“as-is” assessment), identification of gaps (from a desired or “to-be” state), and a transition plan.
	<b>Recommendation</b>	We recommend that OPM develop and implement an ICAM strategy that considers a review of current practices (“as-is” assessment) and the identification of gaps (from a desired or “to-be” state), and contains milestones for how the agency plans to align with Federal ICAM initiatives.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring the success of the agency’s ICAM initiatives.
<b>Rec. #34*</b>	<b>Finding</b>	<u>Implementation of an ICAM Program</u> : OPM policies do not address the capturing and sharing of lessons learned on the effectiveness of the agency’s ICAM program.
	<b>Recommendation</b>	We recommend that OPM implement a process to capture and share lessons learned on the effectiveness of its ICAM policies, procedures, and processes to update the program.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the ICAM program with speed and efficiency.
<b>Rec. #35*</b>	<b>Finding</b>	<u>Multi-factor Authentication with PIV</u> : OPM has not enforced PIV authentication to the vast majority of its applications.
	<b>Recommendation</b>	We recommend that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the ICAM program with speed and efficiency.
<b>Rec. #36*</b>	<b>Finding</b>	<u>ICAM Contractor Access Management</u> : OPM does not maintain a complete list of all contractors who have access to OPM’s network, so there is no way for the OCIO to audit the termination process to ensure that contractor accounts are removed in a timely manner.
	<b>Recommendation</b>	We recommend that the OCIO maintain a centralized list of all contractors that have access to the OPM network and use this list to routinely audit all user accounts for appropriateness.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing inappropriate access to critical or sensitive resources.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #37</b>	<b>Finding</b>	<u>Data Protection and Privacy Policies and Procedures:</u> There is an inadequate number of staff currently within OPM’s privacy program. OPM’s privacy program is supported by the Chief Privacy Officer, and two detailees from the OCIO. The Chief Privacy Officer position was established in October of 2016. Additional roles and responsibilities needed have not been clearly defined to support the program.
	<b>Recommendation</b>	We recommend that OPM define the roles and responsibilities necessary for the implementation of the agency’s privacy program.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing data loss and mishandling of sensitive information.
<b>Rec. #38</b>	<b>Finding</b>	<u>Data Protection and Privacy Policies and Procedures:</u> The OPM Information Security and Privacy Policy Handbook is OPM’s primary source for data protection and privacy policies. However, this handbook has not been updated since 2011 and does not contain the personally identifiable information (PII) protection plans, policies, and procedures necessary for a mature privacy program.
	<b>Recommendation</b>	We recommend that OPM develop its privacy program by creating the necessary plans, policies, and procedures for the protection of PII.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing data loss and mishandling of sensitive information.
<b>Rec. #42</b>	<b>Finding</b>	<u>Data Breach Response Plan:</u> OPM does not currently conduct routine table-top exercises to test the Data Breach Response Plan.
	<b>Recommendation</b>	We recommend that OPM develop a process to routinely test the Data Breach Response Plan.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing major data loss in the event of a security incident.
<b>Rec. #43</b>	<b>Finding</b>	<u>Privacy Awareness Training:</u> Individuals with responsibilities for PII or activities involving PII do not receive elevated role-based privacy training.
	<b>Recommendation</b>	We recommend that OPM identify individuals with heightened responsibility for PII and provide role-based training to these individuals at least annually.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for properly handling secure data and preventing data loss incidents.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #44*</b>	<b>Finding</b>	<u>Assessment of Workforce:</u> Since FY 2017, OPM has conducted an assessment of the knowledge, skills, and abilities of its workforce to determine employees' specialized training needs. While progress has been made, OPM still needs to analyze the results of the assessment to determine any skill gaps and specialized training needs.
	<b>Recommendation</b>	We recommend that OPM develop and conduct an assessment of its workforce's knowledge, skills and abilities in order to identify any skill gaps and specialized training needs.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that OPM staff are fully prepared to address the security threats facing the agency.
<b>Rec. #46*</b>	<b>Finding</b>	<u>ISCM Roles, Responsibilities, and Resources:</u> OPM's ISCM program still does not have adequate resources to effectively implement the activities required. This year, OPM made some progress identifying resource gaps related to its ISCM program. However, more work is still required to identify all of the ISCM resource gaps to effectively implement its ISCM program.
	<b>Recommendation</b>	We recommend that OPM conduct an analysis to identify any resource gaps within its current ISCM program. OPM should use the results of this gap analysis to ensure stakeholders have adequate resources to effectively implement ISCM activities based on OPM's policies and procedures.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for effectively implementing the agency's ISCM program, improving its ability to protect sensitive information.
<b>Rec. #47*</b>	<b>Finding</b>	<u>Ongoing Security Assessments:</u> We continue to find that many system owners are not following the security control testing schedule that the OCIO mandated for all systems. In the first two quarters of 2018, only 29 of OPM's 54 major systems were subject to security controls testing that complied with OPM's ISCM submission schedule. In addition, we were not provided any evidence for the third quarter.
	<b>Recommendation</b>	We recommend that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the agency's ISCM strategy and thereby reducing the risk of an attack.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #48*</b>	<b>Finding</b>	<u>Measuring ISCM Program Effectiveness</u> : OPM still needs to define the format and frequency of reports measuring its ISCM program effectiveness. In addition, OPM has failed to complete the first step necessary to assess the effectiveness of its ISCM program – to collect the necessary baseline data by actually assessing the security controls of its systems.
	<b>Recommendation</b>	We recommend that OPM evaluate qualitative and quantitative performance measures on the performance of its ISCM program once it can consistently acquire security assessment results, as referenced in Recommendation 47.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring proper security controls are in place.
<b>Rec. #49</b>	<b>Finding</b>	<u>Contingency Planning Roles and Responsibilities</u> : OPM’s personnel limitations are further evident in OPM’s inability to perform all contingency planning activities.
	<b>Recommendation</b>	We recommend that OPM perform a gap analysis to determine the contingency planning requirements (people, processes, and technology) necessary to effectively implement the agency’s contingency planning policy.
	<b>Status</b>	OPM disagreed initially, but subsequently agreed to the recommendation when it was re-issued in the Federal Information Security Modernization Act Audit of FY 2019. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for being able to restore systems to an operational status in the event of a disaster.
<b>Rec. #50*</b>	<b>Finding</b>	<u>Business Impact Analysis</u> : OPM has not performed an agency-wide BIA, and therefore, risks to the agency as a whole are not incorporated into the system-level BIAs and/or contingency plans.
	<b>Recommendation</b>	We recommend that the OCIO conduct an agency-wide BIA and incorporate the results into the system-level contingency plans.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for being able to restore systems based on criticality and therefore meet its recovery time objectives and mission.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2018**

<b>Rec. #51*</b>	<b>Finding</b>	<u>Contingency Plan Maintenance</u> : In FY 2018, we received evidence that a contingency plan exists for 32 of OPM's 54 major systems. However, of those 33 contingency plans, only 19 were current, having been reviewed and updated in FY 2018.
	<b>Recommendation</b>	We recommend that the OCIO ensure that all of OPM's major systems have contingency plans in place and that they are reviewed and updated annually.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #52*</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : Only 13 of the 54 major information systems were subject to an adequate contingency plan test in fiscal year 2018. Furthermore, contingency plans for 17 of the 54 major systems have not been tested for 2 years or longer.
	<b>Recommendation</b>	We recommend that OPM test the contingency plans for each system on an annual basis.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

**Title: Audit of the U.S. Office of Personnel Management's Compliance with the Federal Information Technology Acquisition Reform Act**

**Report #: 4A-CI-00-18-037**

**Date: April 25, 2019**

<b>Rec. #1</b>	<b>Finding</b>	<u>IT Budget Process</u> : OPM has not maintained and enforced sufficient policies or procedures for ensuring the CIO's involvement in formulating its budgets. The OCIO is not routinely included in significant meetings and discussions around the core operating funds involving IT systems for other program offices.
	<b>Recommendation</b>	We recommend that the Office of the Director ensure that the CIO has adequate involvement and approval in all phases of annual and multi-year planning, programming, budgeting, and execution decisions in line with the Federal Information Technology Acquisition Reform Act (FITARA) and OMB Circular A-130 requirements.
	<b>Status</b>	OPM partially agreed with this recommendation and is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring appropriate approvals when formulating IT budgets.

\* represents repeat recommendations.

***Continued: Audit of the U.S. Office of Personnel Management's Compliance with the Federal Information Technology Acquisition Reform Act***

<b>Rec. #2</b>	<b><i>Finding</i></b>	<u>Reprogramming of IT Funds</u> : The CIO is not appropriately involved in the budget reprogramming process. There was no evidence to suggest there was CIO involvement in reprogramming decisions outside of those specific to the OCIO.
	<b><i>Recommendation</i></b>	We recommend that the Office of the Director ensure the CIO reviews and approves all reprogramming of funds for IT resources.
	<b><i>Status</i></b>	OPM partially agreed with this recommendation and is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved controls for ensuring appropriate approval of IT fund reprogramming.
<b>Rec. #3</b>	<b><i>Finding</i></b>	<u>Approval Process</u> : The CIO does not officially approve all major project IT checklists as required by FITARA. The CIO delegates responsibility for approving IT checklists for major IT investments to the Deputy CIO.
	<b><i>Recommendation</i></b>	We recommend that the OCIO transition the responsibility for reviewing and approving checklists for major procurements to the CIO in accordance with FITARA.
	<b><i>Status</i></b>	OPM partially agreed with this recommendation and is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved controls for ensuring appropriate approval of IT acquisitions.
<b>Rec. #4</b>	<b><i>Finding</i></b>	<u>Approval Process</u> : Procedures related to the IT checklists for non-major procurements as defined by FITARA and by OMB are not followed.
	<b><i>Recommendation</i></b>	We recommend that the OCIO update its procedures to only allow the CIO's direct reports to review and approve the IT checklists for non-major procurements as defined in FITARA and by OMB.
	<b><i>Status</i></b>	OPM partially agreed with this recommendation and is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	Improved controls for ensuring appropriate approval of non-major procurements.



**Continued: Audit of the U.S. Office of Personnel Management's Compliance with the Federal Information Technology Acquisition Reform Act**

<b>Rec. #5</b>	<b>Finding</b>	<u>IT Checklists</u> : OPM's IT checklists have not been updated as required by OPM's policy. The Deputy CIO indicated that while the approval decisions were made based on accurate information, the lack of IT acquisition checklist revisions was an unintentional oversight.
	<b>Recommendation</b>	We recommend that the OCIO ensure that final approved checklists contain complete and accurate information.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that IT acquisitions are adequately tracked and any subsequent related IT acquisitions are correctly classified and approved.

**Title: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Enterprise Human Resources Integration Data Warehouse**

**Report #: 4A-CI-00-19-006**

**Date: June 17, 2019**

<b>Rec. #7</b>	<b>Finding</b>	<u>Contingency Plan Testing</u> : The EHRIDW contingency plan test was conducted in April 2017, before the system migrated to OPM's Macon, Georgia data center. After the migration occurred and prior to the April 2018 Authorization, the Enterprise Human Resources Integration Data Warehouse (EHRIDW) did not conduct a contingency plan test.
	<b>Recommendation</b>	We recommend that OPM conduct a test of an updated EHRIDW contingency plan in accordance with the OPM policies.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

<b>Rec. #9</b>	<b>Finding</b>	<u>Role-Based Security Training</u> : OPM requires all agency employees to complete annual security/privacy awareness training, however, this differs from role-based security training. Currently OPM does not provide role-based security training for EHRIDW personnel.
	<b>Recommendation</b>	We recommend that OPM provide and document role-based security training for the EHRIDW personnel with system level access.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security risks at OPM.

**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Enterprise Human Resources Integration Data Warehouse**

<b>Rec. #10</b>	<b>Finding</b>	<u>Audit Policies and Procedures</u> : OPM has an agency-wide policy for Auditing and Accountability and procedures in place to enable the implementation of the policy for EHRIDW. However, OPM personnel involved in the auditing process were not aware of the procedures.
	<b>Recommendation</b>	We recommend that OPM disseminate auditing procedures to the individuals with auditing responsibilities and ensure the current process complies with the documented procedures.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that system auditing takes place.
<b>Rec. #12</b>	<b>Finding</b>	<u>Policy and Procedures Providing Guidance for the Transition of a System's Management</u> : OPM does not have any policies and procedures pertaining to the knowledge transfer required for a successful transition of a system's management between entities (e.g., from contractors to OPM employees, and conversely from OPM employees to contractors).
	<b>Recommendation</b>	We recommend that OPM develop policy and procedures to document requirements necessary for transitioning a system's management between entities.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for the transition of a system's management.

**Title: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Consolidated Business Information System**

**Report #: 4A-CF-00-19-026**

**Date: October 3, 2019**

<b>Rec. #1</b>	<b>Finding</b>	<u>Control AT-3 – Role-Based Security Training</u> : Currently, OPM does not provide or require role-based security training for CBIS personnel.
	<b>Recommendation</b>	We recommend that OPM provide and document role-based security training for CBIS personnel with system level access.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security risks at OPM.

**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Consolidated Business Information System**

<b>Rec. #2</b>	<b>Finding</b>	<u>Control CM-6 – Configuration Settings</u> : Baselines have not been defined by the agency. FAA previously scanned CBIS for Center for Internet Security standard compliance but switched to Defense Information Systems Agency standards without documenting approved settings nor allowed exceptions.
	<b>Recommendation</b>	We recommend that the OCFO work with FAA to implement standard security configuration settings for all operating platforms in use by CBIS.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
<b>Rec. #3</b>	<b>Finding</b>	<u>Control IA-2(12) – Acceptance of PIV Credentials</u> : The CBIS Application does not enforce Personal Identity Verification (PIV) authentication. Users currently log in via username and password.
	<b>Recommendation</b>	We recommend that the CBIS application meet the requirements of OMB M-11-11 by requiring multi-factor authentication using PIV credentials.
	<b>Status</b>	OPM is taking corrective actions. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for authenticating to information systems.
<b>Rec. #4</b>	<b>Finding</b>	<u>Control IR-02 – Incident Response Training</u> : OPM and FAA confirmed incident response training is not performed for CBIS despite the SSP stating that the control is inherited from FAA. FAA Information System Security Officers perform incident response training for other applications they support, but it is not performed for the CBIS application. Additionally, OPM system administrators do not perform incident response training specific to the CBIS application.
	<b>Recommendation</b>	We recommend that OPM ensure system administrators receive incident response training for CBIS.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for assessing and responding to security incidents.

**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Consolidated Business Information System**

<b>Rec. #5</b>	<b>Finding</b>	<u>Control SA-22 – Unsupported Software Component</u> : CBIS uses an unsupported software component, which is highly vulnerable. OPM has drafted a risk acceptance but it has not been approved. There is no timetable to upgrade the unsupported system component.
	<b>Recommendation</b>	We recommend that OPM maintain an approved risk acceptance for the unsupported software until the system is transitioned to a supported platform.
	<b>Status</b>	The agency agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring up-to-date software.
<b>Rec. #6</b>	<b>Finding</b>	<u>Control SA-22 – Unsupported Software Component</u> : CBIS uses an unsupported software component, which is highly vulnerable. OPM has drafted a risk acceptance but it has not been approved. There is no timetable to upgrade the unsupported system component.
	<b>Recommendation</b>	We recommend that OPM remove or update the unsupported software from its environment.
	<b>Status</b>	The agency agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring up-to-date software.
<b>Rec. #7</b>	<b>Finding</b>	<u>Multi-factor Authentication to Datacenter</u> : We performed a datacenter tour in June 2019 and found most physical and environmental controls mandated by NIST 800-53, Revision 4, to be in place. However, the FAA facility does not require multi-factor authentication to access the datacenter.
	<b>Recommendation</b>	We recommend that the OCFO ensure enforcement of multi-factor authentication at the CBIS datacenter for non-console access.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for access to sensitive areas.

**Title: Audit of the Information Technology Controls of the U.S. Office of Personnel Management’s Compliance with the Data Center Optimization Initiative**

**Report #: 4A-CI-00-19-008**

**Date: October 23, 2019**

<b>Rec. #2</b>	<b>Finding</b>	<u>Data Center Optimization - Automated Monitoring</u> : Our FY 2018 FISMA Report included a series of recommendations to improve OPM’s management of its systems, hardware, and software inventories. These recommendations remain open, and it is likely that the agency will have to address these FISMA recommendations before it can implement automated tools for infrastructure management.
	<b>Recommendation</b>	We recommend that OPM perform a gap analysis to identify the monitoring, inventory, and management tools that it needs to implement automated infrastructure management as required by the DCOI and OMB.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying gaps in the agency’s needs to implement automated infrastructure management
<b>Rec. #3</b>	<b>Finding</b>	<u>Data Center Optimization - Power Metering</u> : OPM does not have energy metering installed in all of its data centers.
	<b>Recommendation</b>	We recommend that OPM install automated power metering in all of its data centers in accordance with the requirements in the Data Center Optimization Initiative (DCOI).
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls to ensure a collection of information in order to produce a report on energy usage data in data centers.
<b>Rec. #4</b>	<b>Finding</b>	<u>Reporting</u> : OPM has complied with OMB’s request, providing quarterly submissions. However, the submissions from Q1 FY 2017 through Q4 FY 2018 do not provide an accurate representation of OPM’s data center inventory or DCOI compliance.
	<b>Recommendation</b>	We recommend that OPM assess the current state of its infrastructure to accurately report data center metrics, including the correct number of data centers (including non-tiered spaces), the correct operational status of data centers, and accurate energy usage.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring accurately report data center metrics.

**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Compliance with the Data Center Optimization Initiative**

<b>Rec. #5</b>	<b>Finding</b>	<u>Security Assessment and Authorization - LAN/WAN General Support System</u> : OPM's current Authorization policies and procedures do not define requirements for addressing a change in authorizing official. Specifically, OPM's documentation does not require a new authorizing official to review system documentation and sign a new Authorization decision.
	<b>Recommendation</b>	We recommend that OPM update its Authorization policies and procedures to include requirements for reauthorizing systems in the event of a change in authorizing official. This guidance at a minimum should include parameters for the time period for re-authorization and requirements to evidence the system documentation reviews required by NIST.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that current authorizing official agrees with information found in guidance.
<b>Rec. #9</b>	<b>Finding</b>	<u>FIPS 199 Categorization - Macon General Support System</u> : The Macon GSS is assessed as having a "moderate" impact level for each area, resulting in an overall categorization of "moderate." Our review of the system categorization from the prior Authorization noted that the document was not properly signed. Additionally, since the drafting of the Authorization, the Macon GSS now supports a major information system with a "high" categorization.
	<b>Recommendation</b>	We recommend that OPM categorize the Macon GSS as a high system and conduct a gap analysis to verify that the additional controls required for a high system are in place.
	<b>Status</b>	OPM disagrees with the recommendation and therefore has taken no action.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring appropriate system security categorization.
<b>Rec. #10</b>	<b>Finding</b>	<u>Privacy Impact Assessment - ESI &amp; LAN/WAN General Support Systems</u> : In the most recent Authorizations, the ESI GSS's PTA was not complete (i.e., it did not indicate whether a PIA is required) or approved and the LAN/WAN GSS package did not include a PTA. PIAs for both GSSs were not provided during the course of the audit.
	<b>Recommendation</b>	We recommend that OPM complete and approve a PTA and PIA (if required by the PTA) for the ESI GSS in accordance with the requirements of the E-Government Act of 2002 and OPM policy.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying privacy vulnerabilities existing on the information system.

**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Compliance with the Data Center Optimization Initiative**

<b>Rec. #11</b>	<b>Finding</b>	<u>Privacy Impact Assessment - ESI &amp; LAN/WAN General Support Systems</u> : In the most recent Authorizations, the ESI GSS's PTA was not complete (i.e., it did not indicate whether a PIA is required) or approved and the LAN/WAN GSS package did not include a PTA. PIAs for both GSSs were not provided during the course of the audit.
	<b>Recommendation</b>	We recommend that OPM complete and approve a PTA and PIA (if required by the PTA) for the LAN/WAN GSS in accordance with the requirements of the E-Government Act of 2002 and OPM policy.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying privacy vulnerabilities existing on the information system.
<b>Rec. #13</b>	<b>Finding</b>	<u>ESI General Support System</u> : We reviewed the current ESI GSS SSP dated September 22, 2016, and determined that it does utilize the OPM template; however, the Chief Information Officer and Authorizing Official at the time of the Authorization in 2016 did not sign and approve the SSP. Additionally, we determined the SSP is incomplete. Specifically, there is a connection to the Sterling Forest backup site that is not sufficiently documented in the SSP.
	<b>Recommendation</b>	We recommend that OPM update and approve the ESI SSP to include all of the necessary information to fully document the Sterling Forest site.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Complete and consistent security control documentation and complete and thorough testing will allow the agency to be informed of security control weaknesses that threaten the confidentiality, integrity, and availability of the data contained within its systems.
<b>Rec. #14</b>	<b>Finding</b>	<u>Security Assessment Plan and Report - Macon General Support System</u> : We identified one weakness in the control testing that was not subsequently included in the risk assessment and did not have a documented risk acceptance. There were 10 weaknesses evaluated in the risk assessment, 8 of which were mitigated, leaving only 2 open weaknesses. The two open weaknesses were appropriately added to the Macon GSS POA&Ms, however the weakness missing from the control assessment was not added.
	<b>Recommendation</b>	We recommend that OPM perform a gap analysis for the Macon GSS to assess the risk of the omitted control deficiency and update the POA&Ms to include all identified weaknesses.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying gaps in Macon GSS controls and include those findings into POA&Ms.



**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Compliance with the Data Center Optimization Initiative**

<b>Rec. #15</b>	<b>Finding</b>	<u>Security Assessment Plan and Report - ESI General Support System</u> : The assessment results table showed that there were 21 controls that were not fully satisfied. Additionally, there were eight controls that did not have a documented control assessment, and subsequently were not assessed for risk. Also, there were two weaknesses assessed for risk that were not appropriately included in the POA&Ms.
	<b>Recommendation</b>	We recommend that OPM perform a gap analysis for the ESI GSS to assess the risk of the omitted control deficiencies and update the POA&Ms to include all identified weaknesses.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying gaps in ESI GSS controls and include those findings into POA&Ms.
<b>Rec. #16</b>	<b>Finding</b>	<u>Contingency Plan - LAN/WAN General Support System</u> : The current LAN/WAN GSS Contingency Plan is dated June 2014, and has not been updated on an annual basis as required. The contingency plan does not accurately reflect the current environment since the system infrastructure has undergone significant changes in the last five years (e.g., adding and removing data centers and systems).
	<b>Recommendation</b>	We recommend that OPM update and approve the contingency plan for the LAN/WAN GSS.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.
<b>Rec. #17</b>	<b>Finding</b>	<u>Contingency Plan Testing - LAN/WAN General Support System</u> : OPM's LAN/WAN GSS contingency plan has not been updated in approximately five years and the LAN/WAN GSS environment has changed significantly in that time. Contingency plan testing is not effective when plans do not represent the current environment, system, and facilities.
	<b>Recommendation</b>	We recommend that OPM test the updated LAN/WAN contingency plan.  This recommendation cannot be completed until Recommendation 16 has been implemented.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.



**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Compliance with the Data Center Optimization Initiative**

<b>Rec. #18</b>	<b>Finding</b>	<u>Plan of Action and Milestones - Macon, ESI, &amp; LAN/WAN General Support Systems</u> : The Macon GSS, ESI GSS, and LAN/WAN GSS POA&Ms are generally documented according to OPM policy. However, OPM failed to adhere to remediation dates for its POA&M weaknesses.
	<b>Recommendation</b>	We recommend that OPM identify the necessary resources or process changes to ensure that POA&Ms are updated according to policy.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The agency is able to determine whether vulnerabilities are remediated in a timely manner. This decreases the risk that systems are compromised.
<b>Rec. #19</b>	<b>Finding</b>	<u>Control PE-3(1) – Physical Access Control   Information System Access Macon, ESI, &amp; LAN/WAN General Support Systems</u> : The data centers in Macon, Georgia have an [REDACTED], but it is not in use by OPM.
	<b>Recommendation</b>	We recommend that OPM implement [REDACTED] at the data centers located in Macon, Georgia.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for physical access the data center.
<b>Rec. #20</b>	<b>Finding</b>	<u>Control PE-3(1) – Physical Access Control   Information System Access Macon, ESI, &amp; LAN/WAN General Support Systems</u> : The data centers in Washington, D.C. and Boyers, Pennsylvania have not implemented any [REDACTED]
	<b>Recommendation</b>	We recommend that OPM implement [REDACTED] at the data centers located in Washington, D.C.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for physical access the data center.

**Continued: Audit of the Information Technology Controls of the U.S. Office of Personnel Management's Compliance with the Data Center Optimization Initiative**

<b>Rec. #21</b>	<b>Finding</b>	<u>Control PE-3(1) – Physical Access Control   Information System Access Macon, ESI, &amp; LAN/WAN General Support Systems</u> : The data centers in Washington, D.C. and Boyers, Pennsylvania have not implemented any [REDACTED]
	<b>Recommendation</b>	We recommend that OPM implement [REDACTED] at the data centers located in Boyers, Pennsylvania.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for physical access the data center.
<b>Rec. #23</b>	<b>Finding</b>	<u>Control PE-15 (1) – Water Damage Protection   Automation Support - ESI &amp; LAN/WAN General Support Systems</u> : During our tour of OPM's Washington, D.C. data centers, we did not identify water detection devices.
	<b>Recommendation</b>	We recommend that OPM implement automated water detection controls in the Washington, D.C. data centers.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Decreases the risk of moisture/water damage to equipment.

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**Report #: 4A-CI-00-19-029**

**Date: October 29, 2019**

<b>Rec. #1*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : The current policy states that system owners are responsible for documenting system boundaries but a procedure for deciding what is or is not a part of a given system does not exist. The lack of a requirement to determine what is and is not part of a given system.
	<b>Recommendation</b>	We recommend that OPM improve the policies and procedures for defining system boundaries and classifying the systems in its environment.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for properly containing, sharing, and protecting sensitive information.

\* represents repeat recommendations.

<b>Continued: Federal Information Security Modernization Act Audit FY 2019</b>		
<b>Rec. #2*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : OPM struggles to identify and maintain the information about what resides in its environment.
	<b>Recommendation</b>	We recommend that the OCIO ensure that all interconnection security agreements are valid and properly maintained.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.
<b>Rec. #3*</b>	<b>Finding</b>	<u>Inventory of Major Systems and System Interconnections</u> : OPM struggles to identify and maintain the information about what resides in its environment.
	<b>Recommendation</b>	We recommend that the OCIO ensure that a valid memorandum of understanding/agreement exists for every interconnection.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that interfaces between contractor systems and agency systems are adequately tracked and maintained.
<b>Rec. #4</b>	<b>Finding</b>	<u>Hardware Inventory</u> : Many assets are incomplete (e.g., missing serial numbers) or include inaccurate information (e.g., incorrect location). In addition, the hardware inventory does not contain information to associate hardware components to the major system(s) that they support.
	<b>Recommendation</b>	We recommend that OPM define the procedures for maintaining its hardware inventory.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and documenting systems and assets.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #5*</b>	<b>Finding</b>	<u>Hardware Inventory</u> : Many assets are incomplete (e.g., missing serial numbers) or include inaccurate information (e.g., incorrect location). In addition, the hardware inventory does not contain information to associate hardware components to the major system(s) that they support.
	<b>Recommendation</b>	We recommend that OPM improve its system inventory by correlating the elements of the inventory to the servers and information systems they reside on.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and documenting systems and assets.
<b>Rec. #6 *</b>	<b>Finding</b>	<u>Software Inventory</u> : OPM has defined a policy requiring software components be inventoried in an agency centralized inventory.
	<b>Recommendation</b>	We recommend that OPM define policies and procedures for a centralized software inventory.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for understanding the information assets in the organization's environment.
<b>Rec. #7*</b>	<b>Finding</b>	<u>Software Inventory</u> : There was no information about where the software is located, how many copies exist, the responsible parties, or licensing. In addition, there were instances of unsupported software listed in the inventory.
	<b>Recommendation</b>	We recommend that OPM define the standard data elements for an inventory of software assets and licenses with the detailed information necessary for tracking and reporting, and that it update its software inventory to include these standard data elements.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for understanding the information assets in the organization's environment.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #8*</b>	<b>Finding</b>	<u>Software Inventory</u> : The list of software only included application names and version numbers. There was no information about where the software is located, how many copies exist, the responsible parties, or licensing. In addition, there were instances of unsupported software listed in the inventory.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to ensure that only supported software and operating platforms are used within the network environment.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #9</b>	<b>Finding</b>	<u>Risk Policy and Strategy</u> : OPM is not yet including supply chain risk management (SCRM) in its risk management processes. The agency's current risk profile, strategies, and policies do not specifically incorporate supply chain risks.
	<b>Recommendation</b>	We recommend that OPM develop an action plan and outline its processes to address the supply chain risk management requirements of NIST SP 800-161.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for addressing weaknesses in an appropriate timeframe and limiting system exposure to malicious attacks.
<b>Rec. #10*</b>	<b>Finding</b>	<u>Information Security Architecture</u> : OPM's enterprise architecture has not been updated since 2008 despite significant changes to its environment and plans, and does not support the necessary integration of an information security architecture. OPM has not documented an Information Security Architecture. In FY 2018, the agency contracted for enterprise architecture services, however, finalized architectures still do not exist.
	<b>Recommendation</b>	We recommend that OPM update its enterprise architecture, to include the information security architecture elements required by NIST and OMB guidance.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for aligning the agency's security processes, systems, and personnel with the agency mission and strategic plan.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #11*</b>	<b>Finding</b>	<u>Risk Management Roles, Responsibilities, and Resources</u> : The agency has not been able to complete the annual requirement to test the security controls and contingency plans of all of its major information technology systems since 2008. OPM has not made sufficient progress in adopting a mature continuous monitoring program.
	<b>Recommendation</b>	We recommend that the OPM Director ensure that the OCIO has sufficient resources to adequately operate, secure, and modernize agency IT systems.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing information security.
<b>Rec. #12*</b>	<b>Finding</b>	<u>Plan of Action and Milestones</u> : OPM POA&M documentation has improved over prior years; however, we still noted the following issues as of August 2019 that 33 percent were more than 30 days overdue; 23 percent were more than 120 days overdue; and 45 percent are in draft or initial status (some since 2012).
	<b>Recommendation</b>	We recommend that OPM adhere to remediation dates for its POA&M weaknesses.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.
<b>Rec. #13*</b>	<b>Finding</b>	<u>Plan of Action and Milestones</u> : OPM POA&M documentation has improved over prior years; however, we still noted the following issues as of August 2019 that 33 percent were more than 30 days overdue; 23 percent were more than 120 days overdue; and 45 percent are in draft or initial status (some since 2012).
	<b>Recommendation</b>	We recommend that OPM update the remediation deadline in its POA&Ms when the control weakness has not been addressed by the originally scheduled deadline (i.e., the POA&M deadline should not reflect a date in the past and the original due date should be maintained to track the schedule variance).
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for managing POA&M weakness remediation.

\* represents repeat recommendations.

<b>Continued: Federal Information Security Modernization Act Audit FY 2019</b>		
<b>Rec. #14</b>	<b>Finding</b>	<u>System Level Risk Assessments</u> : Controls testing and risk assessments are a key part of the Authorization process, and the problems we found indicate that Authorizing Officials may not have all of the necessary risk information when granting an Authorization.
	<b>Recommendation</b>	We recommend that OPM complete risk assessments for each major information system that are compliant with NIST guidelines and OPM policy. The results of a complete and comprehensive test of security controls should be incorporated into each risk assessment.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for conducting risk assessments.
<b>Rec. #15*</b>	<b>Finding</b>	Centralized Enterprise-wide Risk Tool: OPM does not have a system or tool to view centralized enterprise-wide risk information.
	<b>Recommendation</b>	We recommend that OPM identify and define the requirements for an automated enterprise-wide solution for tracking risks, remediation efforts, dependencies, risk scores, and management dashboards, and implement the automated enterprise-wide solution.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for capturing current enterprise risk information and assessing it in aggregate.
<b>Rec. #16*</b>	<b>Finding</b>	<u>Risk Management Other Information - System Development Life Cycle</u> : OPM last updated its System Development Life Cycle (SDLC) policy in 2013, and to date it is still not actively enforced for all IT projects.
	<b>Recommendation</b>	We continue to recommend that the OCIO develop a plan and timeline to enforce the new SDLC policy on all of OPM's system development projects.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring stability of systems development projects.



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<b>Rec. #17*</b>	<b>Finding</b>	<u>Configuration Management Roles, Responsibilities, and Resources</u> : OPM has indicated that it does not have adequate resources (people, processes, and technology) to manage its Configuration Management (CM) program effectively.
	<b>Recommendation</b>	We recommend that OPM perform a gap analysis to determine the configuration management resource requirements (people, processes, and technology) necessary to effectively implement the agency's CM program.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying gaps in the agency's configuration management program.
<b>Rec. #18*</b>	<b>Finding</b>	<u>Configuration Management Plan</u> : OPM has not established a process to document lessons learned from its change control process.
	<b>Recommendation</b>	We recommend that OPM document the lessons learned from its configuration management activities and update its configuration management plan as appropriate.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for analyzing and updating the agency's configuration management plan.
<b>Rec. #19*</b>	<b>Finding</b>	<u>Baseline Configurations</u> : OPM has not developed a baseline configuration for all of its information systems.
	<b>Recommendation</b>	We recommend that OPM develop and implement a baseline configuration for all information systems in use by OPM.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.

\* represents repeat recommendations.



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<b>Rec. #20*</b>	<b>Finding</b>	<u>Baseline Configurations</u> : OPM cannot currently run baseline configuration checks to verify that information systems are compliant with pre-established baseline configurations, as they have yet to be developed.
	<b>Recommendation</b>	We recommend that the OCIO conduct routine compliance scans against established baseline configurations for all OPM information systems. This recommendation cannot be addressed until Recommendation 19 has been implemented.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.
<b>Rec. #21*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : OPM has not implemented the process for exceptions, which means OPM did not customize the configuration settings for its systems and environment. As a result, testing against the Guides is not effective since OPM did not document the allowed deviations.
	<b>Recommendation</b>	We recommend that the OCIO develop and implement [standard security configuration settings] for all operating platforms in use by OPM.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that information systems are initially configured in a secure manner.
<b>Rec. #22*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : Without formally documented and approved configuration settings, OPM cannot consistently run automated scans to verify that information systems maintain compliance with the pre-established configuration settings.
	<b>Recommendation</b>	We recommend that the OCIO conduct routine compliance scans against [the standard security configuration settings] for all servers and databases in use by OPM. This recommendation cannot be addressed until Recommendation 20 above has been completed.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that servers are in compliance with approved security settings.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #23*</b>	<b>Finding</b>	<u>Security Configuration Settings</u> : While OPM does utilize the Defense Information Systems Agency Security Technical Implementation Guides, OPM has not implemented the process for exceptions, which means OPM did not customize the configuration settings for its systems and environment.
	<b>Recommendation</b>	For OPM configuration standards that are based on a pre-existing generic standard, we recommend that OPM document all instances where the OPM-specific standard deviates from the recommended configuration setting.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for secure configuration of information systems.
<b>Rec. #24*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM is not routinely scanning every device on its network, nor is there a formal process in place to ensure that all new devices on the agency's network are included in the scanning process.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to ensure routine vulnerability scanning is conducted on all network devices documented within the inventory.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #25*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM does not have a process to record or track the remediation status for other routine security weaknesses identified during vulnerability scans.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to centrally track the current status of security weaknesses identified during vulnerability scans to remediation or risk acceptance.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #26*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM is either not installing the patches in a timely manner or failing to document necessary exceptions to the patching policy.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to apply operating system and third party vendor patches in a timely manner.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #27*</b>	<b>Finding</b>	<u>Flaw Remediation and Patch Management</u> : OPM is not routinely scanning every device on its network, nor is there a formal process in place to ensure that all new devices on the agency's network are included in the scanning process.
	<b>Recommendation</b>	We recommend that the OCIO implement a process to ensure new server installations are included in the scan repository.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying and remediating system vulnerabilities.
<b>Rec. #28*</b>	<b>Finding</b>	<u>ICAM Roles, Responsibilities, and Resources</u> : OPM does not consider ICAM to be a distinct program. In FY 2017, it was determined that OPM did not have a process in place to ensure that it provides adequate resources (people, processes, and technology) to stakeholders to fully implement ICAM controls. The agency took no corrective actions in FY 2018 or FY 2019.
	<b>Recommendation</b>	We recommend that OPM conduct an analysis to identify limitations in the current ICAM program in order to ensure that stakeholders have adequate resources (people, processes, and technology) to implement the agency's ICAM activities.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for identifying the necessary resources required to maintain and progress OPM's ICAM program.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #29*</b>	<b>Finding</b>	<u>ICAM Strategy</u> : In FY 2017, it was determined OPM has not developed and implemented an ICAM strategy containing milestones for how the agency plans to align with Federal ICAM initiatives. As noted above, OPM had not considered ICAM to be a distinct program and thus there were no corrective actions in FY 2018 or FY 2019.
	<b>Recommendation</b>	We recommend that OPM develop and implement an ICAM strategy that considers a review of current practices (“as-is” assessment) and the identification of gaps (from a desired or “to-be” state), and contains milestones for how the agency plans to align with Federal ICAM initiatives.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring the success of the agency’s ICAM initiatives.
<b>Rec. #30*</b>	<b>Finding</b>	<u>Implementation of ICAM Program</u> : In FY 2017, it was determined OPM has not developed and implemented an ICAM strategy containing milestones for how the agency plans to align with Federal ICAM initiatives. As noted above, OPM had not considered ICAM to be a distinct program and thus there were no corrective actions in FY 2018 or FY 2019.
	<b>Recommendation</b>	We recommend that OPM implement a process to capture and share lessons learned on the effectiveness of its ICAM policies, procedures, and processes to update the program.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the ICAM program with speed and efficiency.
<b>Rec. #31*</b>	<b>Finding</b>	<u>Multi-factor Authentication with PIV</u> : OPM has not configured multi-factor authentication for all major systems.
	<b>Recommendation</b>	We recommend that the OCIO meet the requirements of OMB M-11-11 by upgrading its major information systems to require multi-factor authentication using PIV credentials.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the ICAM program with speed and efficiency.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #32*</b>	<b>Finding</b>	<u>ICAM Other Information – Contractor Access Management</u> : OPM does not centrally manage terminating contractor access. Furthermore, OPM does not maintain a complete list of all contractors who have access to OPM’s network, so there is no way for the OCIO to audit the termination process to ensure timely removal of contractor accounts.
	<b>Recommendation</b>	We recommend that the OCIO maintain a centralized list of all contractors that have access to the OPM network and use this list to routinely audit all user accounts for appropriateness.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing inappropriate access to critical or sensitive resources.
<b>Rec. #33*</b>	<b>Finding</b>	<u>Data Protection and Privacy Policies and Procedures</u> : OPM established the Chief Privacy Officer position and the Office of Privacy and Information Management (OPIM) in 2016 and 2019, respectively. Despite this substantial stride, OPM has not clearly defined the additional roles and responsibilities to support the program.
	<b>Recommendation</b>	We recommend that OPM define the roles and responsibilities necessary for the implementation of the agency’s privacy program.
	<b>Status</b>	OPM disagrees with the recommendation and therefore has taken no action.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing data loss and mishandling of sensitive information.
<b>Rec. #34*</b>	<b>Finding</b>	<u>Data Protection and Privacy Policies and Procedures</u> : The OPM Information Security and Privacy Policy Handbook is OPM’s primary source for data protection and privacy policies. However, OPM has not updated this handbook since 2011, and it does not contain the personally identifiable information (PII) protection plans, policies, and procedures necessary for a mature privacy program.
	<b>Recommendation</b>	We recommend that OPM develop its privacy program by creating the necessary plans, policies, and procedures for the protection of PII.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing data loss and mishandling of sensitive information.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #35*</b>	<b>Finding</b>	<u>Data Breach Response Plan</u> : OPM does not currently conduct routine exercises to test the Data Breach Response Plan.
	<b>Recommendation</b>	We recommend that OPM develop a process to routinely test the Data Breach Response Plan.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for preventing major data loss in the event of a security incident.
<b>Rec. #36*</b>	<b>Finding</b>	<u>Privacy Awareness Training</u> : Individuals with responsibilities for PII or activities involving PII do not receive elevated role-based privacy training.
	<b>Recommendation</b>	We recommend that OPM identify individuals with heightened responsibility for PII and provide role-based training to these individuals at least annually.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for properly handling secure data and preventing data loss incidents.
<b>Rec. #37*</b>	<b>Finding</b>	<u>Assessment of Workforce</u> : OPM assessed the knowledge, skills, and abilities of its workforce as the first step to determine employees' specialized training needs. While OPM made progress in this area, a gap analysis, to determine any weaknesses and specialized training needs, must be performed.
	<b>Recommendation</b>	We recommend that OPM develop and conduct an assessment of its workforce's knowledge, skills, and abilities in order to identify any skill gaps and specialized training needs.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that OPM staff are fully prepared to address the security threats facing the agency.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #38*</b>	<b>Finding</b>	<u>ISCM Roles, Responsibilities, and Resources</u> : The analysis identified and quantified the resource gap and confirms that the agency still does not have adequate resources to implement the activities effectively required by its ISCM strategy and policies.
	<b>Recommendation</b>	We recommend that OPM conduct an analysis to identify any resource gaps within its current ISCM program. OPM should use the results of this gap analysis to ensure stakeholders have adequate resources to implement ISCM activities effectively based on OPM's policies and procedures.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for effectively implementing the agency's ISCM program, improving its ability to protect sensitive information.
<b>Rec. #39*</b>	<b>Finding</b>	<u>Ongoing Security Assessments</u> : We did observe that 6 of the 47 Authorizations provided were signed by an agency official who is no longer with OPM, a fact that necessitates re-authorization by the new authorizing official.
	<b>Recommendation</b>	We recommend that all active systems in OPM's inventory have a complete and current Authorization.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.
<b>Rec. #40*</b>	<b>Finding</b>	<u>Ongoing Security Assessments</u> : We did observe that 6 of the 47 Authorizations provided were signed by an agency official who is no longer with OPM, a fact that necessitates re-authorization by the new authorizing official.
	<b>Recommendation</b>	We recommend that the performance standards of all OPM system owners be modified to include a requirement related to FISMA compliance for the information systems they own.
	<b>Status</b>	The agency partially agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring that systems have appropriate security controls in place and functioning properly.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #41*</b>	<b>Finding</b>	<u>Ongoing Security Assessments</u> : We continue to find that many systems are not following the security control testing schedule that the OCIO mandated for all systems. For the first three quarters of FY 2019, OPM provided evidence of security control testing for 28 of OPM’s 47 major systems. Of those, only eight systems were subject to security controls testing that complied with OPM’s ISCM submission schedule for all three quarters.
	<b>Recommendation</b>	We recommend that OPM ensure that an annual test of security controls has been completed for all systems.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for implementing the agency’s ISCM strategy and thereby reducing the risk of an attack.
<b>Rec. #42</b>	<b>Finding</b>	<u>Measuring ISCM Program Effectiveness</u> : OPM has not defined the format of reports measuring its ISCM program effectiveness.
	<b>Recommendation</b>	We recommend that OPM define a format for the reports used to communicate the effectiveness of its ISCM program.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	A clear and accurate report format will help give the reader an understanding about the effectiveness of ISCM program.
<b>Rec. #43*</b>	<b>Finding</b>	<u>Measuring ISCM Program Effectiveness</u> : OPM has failed to complete the first step necessary to assess the effectiveness of its ISCM program – to collect the necessary baseline data by actually assessing the security controls of its systems.
	<b>Recommendation</b>	We recommend that OPM evaluate qualitative and quantitative performance measures on the performance of its ISCM program once it can consistently acquire security assessment results, as referenced in Recommendation 41.
	<b>Status</b>	The agency did not agree with the recommendation. Evidence to support their disagreement has not yet been provided.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for ensuring proper security controls are in place.

\* represents repeat recommendations.



**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #44*</b>	<b>Finding</b>	<u>Contingency Planning Roles and Responsibilities</u> : Evidence shows that less than a quarter of the information systems have updated contingency plans and even less have performed contingency plan testing.
	<b>Recommendation</b>	We recommend that OPM perform a gap-analysis to determine the contingency planning requirements (people, processes, and technology) necessary to effectively implement the agency's contingency planning policy.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for being able to restore systems to an operational status in the event of a disaster.
<b>Rec. #45*</b>	<b>Finding</b>	<u>Business Impact Analysis</u> : OPM currently has a process in place to develop a Business Impact Analysis (BIA) at the information system level. Not all of OPM's major information systems have an approved BIA nor has this issue been identified in the POA&Ms.
	<b>Recommendation</b>	We recommend that the OCIO conduct an agency-wide BIA and incorporate the results into the system-level contingency plans. While OPM has performed an agency wide BIA, this recommendation remains open, as OPM has not incorporated the results into the system-level contingency plans.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for being able to restore systems based on criticality and therefore meet its recovery time objectives and mission.
<b>Rec. #46*</b>	<b>Finding</b>	<u>Contingency Plan Maintenance</u> : Only 7 of the 47 major systems have current contingency plans that were reviewed and updated in FY 2019. The OCIO needs to coordinate with the system owners and authorizing officials to ensure the contingency plans are in place and that an update occurs in accordance with policy. Currently, the OCIO is not sufficiently empowered to enforce the contingency planning policy.
	<b>Recommendation</b>	We recommend that the OCIO ensure that all of OPM's major systems have contingency plans in place and that they are reviewed and updated annually.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

\* represents repeat recommendations.

**Continued: Federal Information Security Modernization Act Audit FY 2019**

<b>Rec. #47*</b>	<b>Finding</b>	Contingency Plan Testing: Only 5 of the 47 major information systems were subject to an adequate contingency plan test in FY 2019. Additionally, more than 60 percent of the major systems have not been tested for 2 years or longer.
	<b>Recommendation</b>	We recommend that OPM test the contingency plans for each system on an annual basis.
	<b>Status</b>	The agency agreed with this recommendation and is taking corrective action. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Improved controls for recovering from an unplanned system outage.

\* represents repeat recommendations.

### III. CLAIM AUDITS AND ANALYTICS

This section describes the open recommendations from medical claims audits of experience-rated health insurance carriers that participate in the Federal Employees Health Benefits Program (FEHBP).

<b>Title: Audit of Health Care Service Corporation<sup>1</sup></b>		
<b>Report #: 1A-10-17-14-037</b>		
<b>Date: November 19, 2015</b>		
<b>Rec. #1</b>	<b>Finding</b>	<u>Veteran Affairs (VA) Claim Review</u> : Our review determined the Health Care Service Corporation (HCSC) incorrectly paid 13,108 VA claims, resulting in overcharges of \$35,562,962 to the FEHBP. For most of these claims, the Plan did not provide documentation to support how the Plan determined that paying these claims using billed charges was cost effective and advantageous to the FEHBP
	<b>Recommendation</b>	We recommend that the contracting officer disallow \$35,562,962 for claim overcharges and verify that the Plan returns all amounts recovered to the FEHBP. Due to the nature of this finding and the substantial amount questioned, the OIG also recommends that the contracting officer contact the Illinois, Montana, and New Mexico VA service areas to discuss a practical approach for recovery of these claims. Based on regulations, the contracting office should not allow the Plan to offset these recoveries against future payments.
	<b>Status</b>	As of August 3, 2020, OPM has collected \$664,130 and allowed \$33,629,597, leaving a remaining balance due of \$1,269,235. OPM proposed a settlement requesting a return of \$155,018 to close this recommendation. This amount is comprised of claims totaling \$31,216 that were disallowed due to insufficient documentation and \$123,802, which was a 10% projected amount due of the remaining overcharge (\$1,269,235 - \$31,216) based on OPM's review of other claims documentation.
	<b>Estimated Program Savings</b>	\$1,933,365 (\$664,130 + \$1,269,235)
	<b>Other Nonmonetary Benefit</b>	N/A

<sup>1</sup> OPM OIG and the OPM Program Office have agreed to the closure of this recommendation. It is currently pending approval with the Acting Director.

**Title: Audit of Claim Amounts Paid that Equaled or Exceeded Covered Charges at all Blue Cross and Blue Shield Plans<sup>2</sup>**

**Report #: 1A-99-00-18-005**

**Date: March 13, 2020**

<b>Rec. #1</b>	<b>Finding</b>	<p><u>Claims Where Amounts Paid Equaled or Exceeded Covered Charges:</u> Our review identified 396 improperly paid claims totaling \$7,015,173 in net overcharges. This amount is comprised of \$7,183,710 in overcharges (\$7,183,940 - \$230 immaterial adjustment) and \$168,537 in undercharges. The identified overcharges stemmed from:</p> <ul style="list-style-type: none"> <li>• 290 claims paid incorrectly due to manual claim processor errors;</li> <li>• 58 claims paid incorrectly due to system errors;</li> <li>• 20 claims paid incorrectly due to provider billing errors;</li> <li>• 16 claims paid incorrectly due to untimely provider contract updates;</li> <li>• 2 claims that were not properly coordinated; and</li> <li>• 10 claims priced with an incorrect patient liability amount.</li> </ul>
	<b>Recommendation</b>	We recommend that the contracting officer disallow \$7,015,173 for claim overpayments and verify that the BCBS plans return all amounts recovered to the FEHBP.
	<b>Status</b>	Per an audit resolution letter dated August 11, 2020, \$4,943,800 in overcharges has been recovered, \$1,908,461 in overcharges has been allowed leaving a balance of \$331,449 due to the Program. Once this amount has been returned to the Program, the undercharges of \$168,537 will be allowed.
	<b>Estimated Program Savings</b>	\$5,106,712
	<b>Other Nonmonetary Benefit</b>	N/A

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<sup>2</sup> OPM OIG and the OPM Program Office have agreed to the closure of this recommendation. It is currently pending approval with the Acting Director.

## IV. OTHER INSURANCE AUDITS

This section describes the open recommendations from audits of other benefit and insurance programs, including the Federal Employees Dental/Vision Insurance Program, the Federal Employees Long Term Care Insurance Program, and the Federal Employees Group Life Insurance Program, as well as audits of Pharmacy Benefit Managers (PBMs) that that contract with and provide pharmacy benefits to carriers participating in the FEHBP.

<b>Title: Audit of BENEFEDS as Administered by Long Term Care Partners, LLC<sup>3</sup></b> <b>Report #: 1G-LT-00-18-040</b> <b>Date: September 11, 2019</b>		
<b>Rec. #1</b>	<b>Finding</b>	<p><b>Ineligible Dependents:</b> Long Term Care Partners, LLC (LTCP) and OPM did not implement sufficient controls for BENEFEDS to ensure that only eligible dependents were enrolled in the Federal Employees Dental and Vision Insurance Program (FEDVIP). Specifically, we found that no controls were in place to stop ineligible family members from enrolling in the program, including ineligible grandchildren, multiple spouses, and families with a higher number of dependents per enrollee within the FEDVIP compared to the FEHBP. These dependent eligibility issues occurred, primarily, because OPM did not provide LTCP authority to request eligibility documentation at the time of enrollment within BENEFEDS. Additionally, LTCP did not implement all available and cost effective system edits for BENEFEDS that deter an enrollee from adding ineligible dependents, such as predominantly placing electronic certification language (e.g., insurance fraud warnings) upon enrollment and refining system edits that question enrollment anomalies (e.g., flagging multiple spouses). Instead, enrollees simply self-certify family members with no requirement for the FEDVIP carriers or BENEFEDS to verify dependent eligibility. This lack of responsibility by all parties involved increases the risk of fraud and abuse by not preventing ineligible dependents from enrolling in a Federal program that is funded entirely by Federal employees and annuitants. Because OPM and BENEFEDS have inadequate controls in place to verify dependent eligibility, the FEDVIP is vulnerable to ineligible family members enrolling in the program with increased costs being charged to Federal employees and annuitants.</p>
	<b>Recommendation</b>	<p>We recommend that the Contracting Officer require LTCP to include, separately and prominently, the following electronic certifications in the BENEFEDS enrollment portal for FEDVIP enrollees to acknowledge and accept:</p> <ul style="list-style-type: none"> <li>• A check box for the enrollee to acknowledge 18 USC § 1001 and the punishable offense for falsifying a Federal document.</li> <li>• A check box for the enrollee to acknowledge 18 USC § 1347 and the punishable offense for health care insurance fraud.</li> <li>• A check box explaining that the enrollee is responsible for providing proof of dependent eligibility to the FEDVIP carrier within 60 days of the request.</li> <li>• A check box for the enrollee to certify that their dependents are eligible for coverage in accordance with 5 USC § 8901 (5).</li> </ul>
	<b>Status</b>	Resolved, milestones developed and full implementation by LTCP is in process.
	<b>Estimated Program Savings</b>	Indirect savings – unknown, potentially significant.

<sup>3</sup> OPM OIG and the OPM Program Office have agreed to the closure of these recommendations. It is currently pending approval with the Acting Director.

<b>Rec. #1 (Cont.)</b>	<b>Other Nonmonetary Benefit</b>	Establishes controls to ensure ineligible dependents are deterred from enrolling in the FEDVIP and to enhance program integrity within OPM.
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**Continued: Audit of BENEFEDS as Administered by Long Term Care Partners, LLC**

<b>Rec. #3</b>	<b>Finding</b>	<p><u>Ineligible Dependents</u>: LTCP and OPM did not implement sufficient controls for BENEFEDS to ensure that only eligible dependents were enrolled in the FEDVIP. Specifically, we found that no controls were in place to stop ineligible family members from enrolling in the program, including ineligible grandchildren, multiple spouses, and families with a higher number of dependents per enrollee within the FEDVIP compared to the FEHBP. These dependent eligibility issues occurred, primarily, because OPM did not provide LTCP authority to request eligibility documentation at the time of enrollment within BENEFEDS. Additionally, LTCP did not implement all available and cost effective system edits for BENEFEDS that deter an enrollee from adding ineligible dependents, such as predominantly placing electronic certification language (e.g., insurance fraud warnings) upon enrollment and refining system edits that question enrollment anomalies (e.g., flagging multiple spouses). Instead, enrollees simply self-certify family members with no requirement for the FEDVIP carriers or BENEFEDS to verify dependent eligibility. This lack of responsibility by all parties involved increases the risk of fraud and abuse by not preventing ineligible dependents from enrolling in a Federal program that is funded entirely by Federal employees and annuitants. Because OPM and BENEFEDS have inadequate controls in place to verify dependent eligibility, the FEDVIP is vulnerable to ineligible family members enrolling in the program with increased costs being charged to Federal employees and annuitants.</p>
	<b>Recommendation</b>	<p>We recommend that the Contracting Officer:</p> <ul style="list-style-type: none"> <li>• Require BENEFEDS to adopt system edits that attempt to capture dependent enrollment anomalies that require an explanation, such as natural children with birthdates too close together (e.g., within one week to seven months), natural children with birthdates too far apart from their parents (e.g., 50 or more years apart), multiple spouses, multiple last names, and multiple addresses.</li> <li>• Provide BENEFEDS with the authority to request documentation in order to confirm eligibility for any questionable dependents that are identified with its system edits.</li> <li>• Require BENEFEDS and the FEDVIP carriers to share and maintain dependent eligibility documentation to ensure that all members are eligible for coverage.</li> </ul>
	<b>Status</b>	First bullet is resolved, milestones developed and full implementation by LTCP is in process. Second and third bullets are closed.
	<b>Estimated Program Savings</b>	Indirect savings – unknown, potentially significant.
	<b>Other Nonmonetary Benefit</b>	Establishes controls to ensure ineligible dependents are identified in the FEDVIP and to enhance program integrity.

***Continued: Audit of BENEFEDS as Administered by Long Term Care Partners, LLC***

<b>Rec. #5</b>	<b><i>Finding</i></b>	<u>No Fraud and Abuse Program:</u> LTCP does not have a vigorous fraud and abuse program that assesses vulnerabilities and detects and eliminates fraud and abuse, as required by the BENEFEDS solicitation. By not having a vigorous fraud and abuse, BENEFEDS enrollment and cash management functions are susceptible to fraud, waste, and abuse that can result in the loss of funds and increased premiums for Federal employees and annuitants.
	<b><i>Recommendation</i></b>	<p>We recommend that LTCP work with the Contracting Officer to formally establish a vigorous fraud and abuse program that is similar to the fraud and abuse requirements of contractors in other OPM programs. Basic controls to help detect and eliminate fraud, waste, and abuse for BENEFEDS operations should include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Policies and procedures that address threats of internal and external fraud and abuse related to BENEFEDS;</li> <li>• Policies and procedures that require suspected instances of fraud, waste, and abuse (FWA) to be reported timely to the Contracting Officer and the respective carrier, when applicable;</li> <li>• Provision of annual FWA reports to the Contracting Officer;</li> <li>• Establishment of an FWA hotline that is accessible to internal and external stakeholders. In establishing such a hotline, the contractor should also establish a system for tracking all allegations received;</li> <li>• Implementation of BENEFEDS system edits that help reduce or eliminate fraudulent enrollments;</li> <li>• A compliance program that prohibits retaliation against whistleblowers;</li> <li>• A formal FWA awareness training, specific to BENEFEDS, that is required of all employees and subcontractors; and,</li> <li>• An FWA prevention, detection, investigation, and reporting manual, which should include all plans, policies, and procedures specifically involved in the BENEFEDS fraud and abuse program.</li> </ul>
	<b><i>Status</i></b>	Resolved, milestones developed and full implementation by LTCP is in process.
	<b><i>Estimated Program Savings</i></b>	Indirect savings – unknown.
	<b><i>Other Nonmonetary Benefit</i></b>	Establishes controls to ensure FWA is minimized in the FEDVIP and to enhance program integrity.

## V. EVALUATIONS

This section describes the open recommendations from evaluation reports issued by the OIG.

<b>Title: Evaluation Of The U.S. Office Of Personnel Management’s Retirement Services’ Imaging Operations</b> <b>Report #: 4K-RS-00-17-039</b> <b>Date: March 14, 2018</b>		
Rec. #3	<b>Finding</b>	No Performance Measures to Assess Benefits of Imaging Efforts – Retirement Services has not developed any performance indicators that would allow it to measure the progress of its imaging operations in achieving its desired results.
	<b>Recommendation</b>	The OIG recommends that Retirement Services develop performance measures to determine if its imaging operations is achieving its intended results.
	<b>Status</b>	The agency agreed with this recommendation and stated that they would determine the appropriate performance measures based on the result of the quality assurance audits. The OIG has not yet received evidence that the implementation of performance measures has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes that by establishing performance measures to track the efforts of its imaging operations, RS decreases the risk of wasting limited resources on a program that is not meeting its intended purpose

<b>Title: Evaluation Of The U.S. Office Of Personnel Management’s Preservation of Electronic Records</b> <b>Report #: 4K-CI-00-18-009</b> <b>Date: December 21, 2018</b>		
Rec. #3	<b>Finding</b>	No Guidance on the Use of Smartphone Records Management for Official Government Business – OPM has not issued any specific guidance on the use of Government-issued smartphones, to include, restrictions on installing certain applications or procedures on the preservation of smartphone-generated records related to Government business.
	<b>Recommendation</b>	The OIG recommend that the Office of Chief Information Officer implement guidance on the official use of smartphones to include restrictions on usage and details on maintenance and preservation of records.
	<b>Status</b>	The agency agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes that by issuing formalized guidance on the use of government issued Smartphones decreases the risk of inadequate records management and increases compliance with Federal regulations related to the preservation of electronic records.



**Title: Evaluation of the U.S. Office Of Personnel Management’s Employee Services’ Senior Executive Service and Performance Management Office**

**Report #: 4K-ES-00-18-041**

**Date: July 1, 2019**

<b>Rec. #1</b>	<b>Finding</b>	Senior Executive Resources Services (SERS) management does not perform on-going monitoring or separate quality control reviews of QRB data.
	<b>Recommendation</b>	The OIG recommend that the Senior Executive Resources Services manager build on-going monitoring and quality control measures to ensure its staff complies with laws and regulations, reports complete and accurate data, and maintains adequate supporting documentation.
	<b>Status</b>	The agency partially agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes formalized procedures for on-going monitoring and quality control measures would provide reasonable assurance that staff complies with laws and regulations, reports complete and accurate data, and maintains adequate supporting documentation.
<b>Rec. #2</b>	<b>Finding</b>	<p>Standard operating procedures does not:</p> <ul style="list-style-type: none"> <li>• Identify a key provision and requirements;</li> <li>• Specify what supporting documentation to maintain to indicate such;</li> <li>• Specify what documentation to maintain to support the review as a pre-Board verification; and</li> <li>• Contain an effective date.</li> </ul> <p>SERS management did not update the Qualifications Review Board’s (QRB) Charter for panel members to remove requirements no longer in place.</p> <p>In addition, reference guides for agency customers does not</p> <ul style="list-style-type: none"> <li>• Include a key requirement;</li> <li>• Specify what supporting documentation must be provided by agencies to indicate such; and</li> <li>• Indicate what documentation must be provided by agency customers.</li> </ul>
	<b>Recommendation</b>	The OIG recommend that the Senior Executive Resources Services manager update and finalize its standard operating procedures, the QRB Charter, and reference guides to ensure its staff and agency customers comply with laws and regulations.
	<b>Status</b>	The agency agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes that updating and finalizing standard operating procedures, the QRB Charter, and reference guides would provide reasonable assurance staff and agency customers comply with laws and regulations.

***Continued: Evaluation of the U.S. Office Of Personnel Management’s Employee Services’ Senior Executive Service and Performance Management Office***

<b>Rec. #3</b>	<b><i>Finding</i></b>	<p>Survey respondents indicated it would not hurt to revisit the current process and measurements as well as identify opportunities to improve the process:</p> <ul style="list-style-type: none"> <li>• Unclear if the process is evaluating (a) the skills of the candidate or the writing of the contractor, and (b) candidates fairly based on the experiences of the candidate;</li> <li>• The QRB process is too rigid and subjective and certification decisions are inconsistent;</li> <li>• More technology and some form of tracking packages through the QRB process to aid in responding to customer status inquiries; and</li> <li>• Training and Job Aid: Suggest posting the “Developing Your Executive Core Qualifications” webinar on the OPM website and send out the link.</li> </ul>
	<b><i>Recommendation</i></b>	The OIG recommend that the Senior Executive Resources Services manager assemble a working group with appropriate stakeholders to collaborate, brainstorm, and develop ways to improve the process to include but not be limited to clearly defining terminology use and considering a more objective method for scoring, more technology, the compilation of QRB panel, and approaches to training.
	<b><i>Status</i></b>	The agency agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The OIG believes that by assembling a working group with appropriate stakeholders would rejuvenate the relationship with agency customers and improve the process.
<b>Rec. #4</b>	<b><i>Finding</i></b>	Based on the current standard operating procedures, there is no guidance for the Executive Resources and Performance Management manager to perform separate quality control measures of certified SES performance appraisal systems data.
	<b><i>Recommendation</i></b>	The OIG recommend that the Executive Resources and Performance Management manager develop and appropriately, document quality control measures to ensure its staff complies with laws and regulations, reports complete and accurate data, and maintains adequate supporting documentation.
	<b><i>Status</i></b>	The agency partially agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The OIG believes formularized quality control measures would provide reasonable assurance that staff complies with laws and regulations, reports complete and accurate data, and maintains adequate supporting documentation.

***Continued: Evaluation of the U.S. Office Of Personnel Management's Employee Services' Senior Executive Service and Performance Management Office***

<b>Rec. #5</b>	<b><i>Finding</i></b>	The standard operating procedures for processing SES, Senior Level, and Scientific and Professional certifications does not contain the current supervisor review practice; and The standard operating procedures for the staff does not include certain requirements identified in the Basic Senior Executive Service Performance Appraisal System Certification Process.
	<b><i>Recommendation</i></b>	The OIG recommend that the Executive Resources and Performance Management manager update its standard operating procedures to include supervisory review process explained and align with common practices for its activities, including maintaining support documentation.
	<b><i>Status</i></b>	The agency agreed with this recommendation. The OIG has not yet received evidence that implementation has been completed.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The OIG believes that updating and finalizing standard operating procedures would provide reasonable assurance staff understands supervisory review process and activities including maintaining support documentation are align with common practices.

**Title: Evaluation of the Presidential Rank Awards Program**

**Report #: 4K-ES-00-19-032**

**Date: January 17, 2020**

<b>Rec. #1</b>	<b><i>Finding</i></b>	Senior Executive Resources Services staff did not document verification of the nine percent statutory limit for the number of career Senior Executive Service and Senior-Level and Scientific and Professional nominees by agency. Sections 451.301 (c) and 451.302 (c) of Title 5 Code of Federal Regulations specify that each agency may nominate up to nine percent of its SES career appointees and up to nine percent of its senior career employees, respectively.
	<b><i>Recommendation</i></b>	The OIG recommend that the Senior Executive Resources Services manager Senior Executive Resources Services manager update and finalize its standard operating procedures to ensure its staff document required responsibilities.
	<b><i>Status</i></b>	Management concurred with this recommendation and stated that they will update and finalize their standard operating procedures to ensure staff document required responsibilities.
	<b><i>Estimated Program Savings</i></b>	N/A
	<b><i>Other Nonmonetary Benefit</i></b>	The OIG believes that updating and finalizing standard operating procedures would provide reasonable assurance staff documents require responsibilities.

<b>Continued Evaluation of the Presidential Rank Awards Program</b>		
<b>Rec. #2</b>	<b>Finding</b>	Standard operating procedures did not indicate how management performs on-going monitoring or separate quality control reviews to ensure compliance.
	<b>Recommendation</b>	The OIG recommend that the Senior Executive Resources Services management build on-going monitoring and quality control measures to ensure compliance.
	<b>Status</b>	Management concurred with this recommendation and indicated that they plan to build additional on-going monitoring and quality control measures to ensure compliance.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes formularized quality control measures would provide reasonable assurance that staff complies with laws and regulations.
<b>Rec. #3</b>	<b>Finding</b>	Senior Executive Resources Services did not have controls in place for its staff to address processing interagency agreements with nominating agencies. During our evaluation, we identified open interagency agreements for prior years.
	<b>Recommendation</b>	The OIG recommend that the Senior Executive Resources Senior Executive Resources Services manager work with the appropriate offices to closeout interagency agreements from fiscal years 2016, 2017, and 2018.
	<b>Status</b>	Management concurred with this recommendation and stated that they will work with the Office of Chief Financial Officer and NBIB (now the Defense Counterintelligence and Security Agency within the Department of Defense) to closeout interagency agreements from FYs 2016, 2017, and 2018.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes that appropriate controls would provide reasonable assurance staff close out interagency agreements before the end of the year award was provided.

**Continued Evaluation of the Presidential Rank Awards Program**

<b>Rec. #4</b>	<b>Finding</b>	Standard operating procedures for the Senior Executive Resources Services staff did not include instructions on how to process the interagency agreement from nominating agencies for the NBIB on-site evaluation.
	<b>Recommendation</b>	The OIG recommend that the Senior Executive Resources Services manager update and finalize its standard operating procedures to include instructions for processing interagency agreement obligation forms for on-site evaluation. The standard operating procedures should include: <ul style="list-style-type: none"> <li>• Instructions for initiating interagency agreement with nominating agencies, processing procedures, collecting payments, and de-obligating funds to ensure: <ul style="list-style-type: none"> <li>○ No work will commence and no costs will be incurred until the agreement is fully executed;</li> <li>○ Agreed upon milestones are set each year to ensure agencies are promptly notified when final costs are known; and</li> <li>○ Notify agencies promptly to close out agreements before the end of the calendar year.</li> </ul> </li> <li>• Ongoing monitoring and quality control measures for the interagency agreements process.</li> </ul>
	<b>Status</b>	Management concurred with this recommendation and indicated that they plan to work with the Office of Chief Financial Officer to define a more streamlined interagency agreement process moving forward and update and finalize its standard operating procedures to include instructions for the new process.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	The OIG believes that updating and finalizing standard operating procedures would provide reasonable assurance staff close out interagency agreements.

## VII. MANAGEMENT ADVISORIES

This section describes the open recommendations from management advisories issued by the OIG.

<b>Title: Review of OPM’s Non-Public Decision to Prospectively and Retroactively Re-Apportion Annuity Supplements</b> <b>Report #: L-2018-1</b> <b>Date: February 5, 2018</b>		
<b>Rec. #1</b>	<b>Finding</b>	The OIG found that OPM’s recent reinterpretation was incorrect and section 8421 did not mandate that OPM allocate the annuity supplement between an annuitant and a former spouse when the state court order was silent. OPM’s longstanding past practice of not allocating the supplement supports this finding.
	<b>Recommendation</b>	The OIG recommends that OPM cease implementing the Retirement Insurance Letter (RIL) 2016-12 and OS Clearinghouse 359 memorandum to apply the state court-ordered marital share to Annuity Supplements unless those court orders expressly and unequivocally identify the Annuity Supplement to be apportioned.
	<b>Status</b>	OPM disagrees with the recommendation and therefore has taken no action.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	OPM’s change in interpretation requires compliance with the Administrative Procedure Act (APA) and providing public notice and an opportunity to comment before OPM makes substantive changes to established rights. In addition, compliance with the recommendation would restore OPM’s compliance with its ministerial obligations of the underlying state court orders that are silent on the apportionment of the Annuity Supplement.
<b>Rec. #2</b>	<b>Finding</b>	See number 1.
	<b>Recommendation</b>	The OIG recommends that OPM take all appropriate steps to make whole those retired law enforcement officers (LEOs) and any other annuitants affected by this re-interpretation. This would include reversing any annuities that were decreased either prospectively or retroactively that involved a state court order that did not expressly address the Annuity Supplement.
	<b>Status</b>	OPM disagrees with the recommendation and therefore has taken no action.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Compliance with applicable law, including OPM’s own regulations that require it perform ministerial actions only. This would restore faith in the legal system as well as OPM’s fiduciary responsibilities regarding annuities. It would also restore faith in the parties’ previously negotiated property settlements that are reflected in the underlying state court orders.

<b>Continued: Review of OPM's Non-Public Decision to Prospectively and Retroactively Re-Apportion Annuity Supplements</b>		
<b>Rec. #3</b>	<b>Finding</b>	See number 1.
	<b>Recommendation</b>	The OIG recommends that OPM determine whether it has a legal requirement to make its updated guidance, including Retirement Insurance Letters, publicly available.
	<b>Status</b>	OPM disagrees with the recommendation and therefore has taken no action.
	<b>Estimated Program Savings</b>	N/A
	<b>Other Nonmonetary Benefit</b>	Compliance with applicable law, so that annuitants and their spouses are public notice of this new OPM policy that significantly affects how OPM processes state court orders – and that has resulted in the imposition of unexpected substantive obligations.

<b>Title: Federal Employees Health Benefits Program Prescription Drug Benefit Costs</b>		
<b>Report #: 1H-01-00-18-039</b>		
<b>Date: March 31, 2020 (Corrected); February 27, 2020 (Original)</b>		
<b>Rec. #</b>		
1	<b>Finding</b>	The OIG is concerned that OPM may not be obtaining the most cost effective pharmacy benefit arrangements in the FEHBP. As of 2019, the FEHBP and its enrollees spent over \$13 billion annually on prescription drugs, comprising over 27 percent of the total cost of the program. The OIG feels strongly that OPM should take a more proactive approach to finding ways to curtail the prescription drug cost increases in the FEHBP. While the efforts made to date have undoubtedly helped control drug costs, we feel additional measures are needed to find more cost saving solutions to the problem of the growing costs of prescription drugs in the FEHBP.
	<b>Recommendation</b>	We recommend that OPM conduct a new, comprehensive study by seeking independent expert consultation on ways to lower prescription drug costs in the FEHBP, including but not limited to the possible cost saving options discussed in this report.
	<b>Status</b>	Open
	<b>Estimated Program Savings</b>	Unknown, potentially substantial.
	<b>Other Nonmonetary Benefit</b>	N/A
<b>Rec. #</b>		
2	<b>Finding</b>	See number 1.
	<b>Recommendation</b>	We recommend that OPM evaluate any study conducted pursuant to recommendation 1 and, with due diligence, formulate recommendations and a plan for agency action based on the best interests of the government, the FEHBP, and its enrollees.
	<b>Status</b>	Open
	<b>Estimated Program Savings</b>	Unknown, potentially substantial.
	<b>Other Nonmonetary Benefit</b>	N/A

# APPENDIX

Below is a chart listing all reports described in this document that, as of March 31, 2020, had open recommendations over six months old.

<b>Internal Audits</b>						
<b>Report Number</b>	<b>Name</b>	<b>Date</b>	<b>Total # of Recs.</b>	<b># of Open Procedural Recs.</b>	<b>Monetary Findings</b>	
					<b># Open</b>	<b>Amount</b>
4A-CF-00-08-025	FY 2008 Financial Statements	11/14/2008	6	1	0	\$0
4A-CF-00-09-037	FY 2009 Financial Statements	11/13/2009	5	1	0	\$0
4A-CF-00-10-015	FY 2010 Financial Statements	11/10/2010	7	3	0	\$0
1K-RS-00-11-068	Stopping Improper Payments to Deceased Annuitants	09/14/2011	14	2	0	\$0
4A-CF-00-11-050	FY 2011 Financial Statements	11/14/2011	7	1	0	\$0
4A-CF-00-12-039	FY 2012 Financial Statements	11/15/2012	3	1	0	\$0
4A-CF-00-13-034	FY 2013 Financial Statements	12/13/2013	1	1	0	\$0
4A-CF-00-14-039	FY 2014 Financial Statements	11/10/2014	4	3	0	\$0
4A-CF-00-15-027	FY 2015 Financial Statements	11/13/2015	5	4	0	\$0
4A-CF-00-16-026	FY 2015 IPERA	05/11/2016	6	1	0	\$0
4A-CA-00-15-041	OPM's OPO's Contract Management Process	07/08/2016	6	3	1	\$108,880,417
4A-CF-00-16-030	FY 2016 Financial Statements	11/14/2016	19	13	0	\$0
4A-CF-00-17-012	FY 2016 IPERA	5/11/2017	10	1	0	\$0
4A-OO-00-16-046	OPM's Purchase Card Program	07/07/2017	12	1	0	\$0
4A-CF-00-17-028	FY 2017 Financial Statements	11/13/2017	18	17	0	\$0
4A-CF-00-15-049	OPM's Travel Card Program	01/16/2018	21	19	0	\$0
4A-CF-00-16-055	OPM's Common Services	03/29/2018	5	5	0	\$0
4A-CF-00-18-012	FY 2017 IPERA	5/10/2018	2	1	0	\$0
4A-CF-00-18-024	FY 2018 Financial Statements	11/15/2018	23	20	0	\$0
4A-CF-00-19-012	FY 2018 IPERA	6/3/2019	4	3	0	\$0



<i>Internal Audits Continued</i>						
Report Number	Name	Date	Total # of Recs.	# of Open Procedural Recs.	Monetary Findings	
					# Open	Amount
4A-OO-00-18-006	OPM's Oversight of ID Experts Contract	10/11/2019	6	2	0	\$0
4A-CF-00-19-025	OPM's Compliance with DATA Act	11/6/2019	2	2	0	\$0
4A-CF-00-19-022	FY 2019 Financial Statements	11/18/2019	20	20	0	\$0
23	<b>Total Reports</b>		206	125	1	\$108,880,417

<b>Information Systems Audits</b>						
Report Number	Name	Date	Total # of Findings	# of Open Procedural Findings	Monetary Findings	
					# Open	Amount
4A-CI-00-08-022	FISMA FY 2008	09/23/2008	19	2	0	\$0
4A-CI-00-09-031	FISMA FY 2009	11/05/2009	30	2	0	\$0
4A-CI-00-10-019	FISMA FY 2010	11/10/2010	41	2	0	\$0
4A-CI-00-11-009	FISMA FY 2011	11/09/2011	29	2	0	\$0
4A-CI-00-12-016	FISMA FY 2012	11/05/2012	18	3	0	\$0
4A-CI-00-13-021	FISMA FY 2013	11/21/2013	16	4	0	\$0
4A-CI-00-14-016	FISMA FY 2014	11/12/2014	29	14	0	\$0
4A-CI-00-15-055	Flash Audit: OPM's Infrastructure Improvement	06/17/2015	2	1	0	\$0
4A-RI-00-15-019	IT Sec. Controls OPM's AHBOSS	07/29/2015	7	2	0	\$0
4A-CI-00-15-011	FISMA FY 2015	11/10/2015	27	15	0	\$0
4A-CI-00-16-037	2nd Status Report: OPM's Infrastructure Improvement	05/18/2016	2	2	0	\$0
4A-CI-00-16-061	Web Application Security Review	10/13/2016	4	4	0	\$0
4A-CI-00-16-039	FISMA FY 2016	11/09/2016	26	20	0	\$0
4A-RS-00-16-035	IT Sec. Controls OPM's FACES	11/21/2016	13	2	0	\$0
4A-CI-00-17-014	OPM's Security Assessment & Authorization	06/20/2017	4	4	0	\$0

<i>Information System Audits Continued</i>						
Report Number	Name	Date	Total # of Findings	# of Open Procedural Findings	Monetary Findings	
					# Open	Amount
4A-CF-00-17-044	OPM's Federal Financial System	09/29/2017	9	1	0	\$0
4A-CI-00-17-030	OPM's SharePoint Implementation	09/29/2017	8	8	0	\$0
4A-CI-00-17-020	FISMA FY 2017	10/27/17	39	36	0	\$0
4A-CI-00-18-022	OPM's FY 2017 IT Modernization Expenditure	02/15/2018	4	2	0	\$0
4A-HR-00-18-013	OPM's USA Staffing System	05/10/2018	4	2	0	\$0
4A-CI-00-18-044	OPM's FY 2018 IT Modernization Expenditure	06/20/2018	2	2	0	\$0
4A-CI-00-18-038	FISMA FY 2018	10/30/2018	52	44	0	\$0
4A-CI-00-18-037	FITARA	4/25/2019	5	5	0	\$0
4A-CI-00-19-006	OPM's EHRIDW	6/17/2019	13	4	0	\$0
4A-CF-00-19-026	OPM's CBIS	10/3/2019	7	7	0	\$0
4A-CI-00-19-008	OPM's Compliance with Data Center Optimization	10/23/2019	23	17	0	\$0
4A-CI-00-19-029	FISMA FY 2019	10/29/2019	47	47	0	\$0
27	<b>Total Reports</b>		480	254	0	\$0

<b>Claim Audits and Analytics</b>						
Report Number	Name	Date	Total # of Recs.	# of Open Procedural Recs.	Monetary Findings	
					# Open	Amount
1A-10-17-14-037	Health Care Service Corporation	11/19/2015	16	0	1	\$1,933,365
1A-99-00-18-005	Global APEG audit at all BCBS plans	3/13/2020	6	0	1	\$162,912
2	<b>Total Reports</b>		22	0	2	\$1,432,147

Other Insurance Audits						
Report Number	Name	Date	Total # of Recs.	# of Open Procedural Recs.	Monetary Findings	
					# Open	Amount
1G-LT-00-18-040	BENEFEDS as Administered by LTCP	9/11/2019	5	3	0	\$0
1	<b>Total Reports</b>		5	3	0	\$0

Evaluations						
Report Number	Name	Date	Total # of Recs.	# of Open Procedural Recs.	Monetary Findings	
					# Open	Amount
4K-RS-00-17-039	OPM's Retirement Services' Imaging Operations	3/14/2018	3	1	0	\$0
4K-CI-00-18-009	OPM's Preservation of Electronic Records	12/21/2018	3	1	0	\$0
4K-ES-00-18-041	OPM's Employee Services' Senior Executive Service and Performance Management Office	7/1/2019	6	5	0	\$0
4K-ES-00-19-032	Presidential Rank Awards Program	1/17/2019	4	4	0	\$0
3	<b>Total Reports</b>		16	11	0	\$0

Management Advisories						
Report Number	Name	Date	Total # of Recs.	# of Open Procedural Recs.	Monetary Findings	
					# Open	Amount
L-2018-1	Review of OPM's Non-Public Decision to Re-Apportion Annuity Supplements	2/5/2018	3	3	0	\$0
1H-01-00-18-039	Federal Employees Health Benefits Program Prescription Drug Benefit Costs	3/31/2020 (Corrected); 2/27/2020 (Original)	2	2	0	0
1	<b>Total Reports</b>		3	3	0	\$0



## Report Fraud, Waste, and Mismanagement

Fraud, waste, and mismanagement in Government concerns everyone: Office of the Inspector General staff, agency employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and mismanagement related to OPM programs and operations. You can report allegations to us in several ways:

**By Internet:** <http://www.opm.gov/our-inspector-general/hotline-to-report-fraud-waste-or-abuse>

**By Phone:** Toll Free Number: (877) 499-7295  
Washington Metro Area: (202) 606-2423

**By Mail:** Office of the Inspector General  
U.S. Office of Personnel Management  
1900 E Street, NW  
Room 6400  
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