

FY 2010 CAPITAL ASSET PLAN (CAP) SUMMARY

Capital Asset Name:

Retirement Systems Modernization (RSM)

Agency:

U.S. Office of Personnel Management

Unique Project (Investment) Identifier:

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

Type of Investment in FY 2010:

Mixed Life Cycle

First Budget Year Submitted to OMB:

FY 2001 or earlier

Summary Justification / Description of Investment:

The Retirement Systems Modernization (RSM) Program is currently being replanned and the scope of current activities has been curtailed while maintaining long-term focus on program priorities. The program has structured these changes to maintain maximum flexibility for future agency leadership by continuing requirements development and validation, while maintaining momentum on data conversion, storage and cleansing efforts. The highlighted sections that follow indicate the scope of work that will be the focus during FY09 and FY10. This work is continuing, as it will benefit the retirement program regardless of the outcome of the current replanning efforts.

OPM's mission "to ensure the Federal government has an effective civilian workforce" hinges on its ability to provide accurate and timely service to approximately 2.4 million retired Federal employees and survivors and 2.8 million active employees. With 87 legacy systems, several of which are as many as 30 years old, the Retirement program, as is, runs a serious risk of system or component failure that could result in millions of retirees not receiving payments. A failure of this magnitude would erode the confidence the public has in the Federal government and result in financial hardship for millions of Americans. Steady, reliable retirement benefits are a key component of Federal retirees' financial security.

The RSM Program is a strategic initiative to meet the most fundamental business needs of the Retirement program – providing timely and accurate benefit payments to more than 2.4 million annuitants and their families – and to enhance the program's ability to provide benefits throughout a participant's lifecycle. It is comprised of two stages. This Capital Asset Plan addresses Stage One only, which focuses on transitioning from a paper-based to an electronic-based data-management process and includes the following three phases: Data Collection, Online Retirement Application and Data Integration and Cleansing. Stage Two will focus on systems modernization.

President's Management Agenda (PMA) Initiatives Supported by this Investment:

Human Capital
Expanded E-Government
Eliminating Improper Payments

Describe how this investment supports the identified PMA initiatives:

The RSM Program supports the elimination of improper payments by improving the quality of initial retirement data, using enhanced automated calculations, and reducing manual data entry. The RSM Program supports the human capital initiative by helping attract and retain employees by enhancing the competitiveness of Federal retirement benefits through improved customer service associated with the retirement process. RSM supports the expanded E-Government initiative by standardizing retirement data collection, automating retirement processes and disseminating retirement processing best practices across agencies.

Specify whether this investment is for information technology:

This is an IT investment.

Indicate whether this investment, or any project within this investment, is identified as “high risk” on the agency high risk report:

This investment is included on OMB’s high-risk report.

Complete the Summary of Spending table below:

Provide funding information for this investment, as listed in the BY 2010 CAP Summary of Spending table.

SUMMARY OF SPENDING FOR PROJECT PHASES (REPORTED IN MILLIONS)			
	PY 2008	CY 2009	BY 2010
Planning	02.365	00.583	00.307
Acquisition	39.530	13.038	14.047
Subtotal Planning & Acquisition	41.895	13.622	14.354
Operations & Maintenance	0	02.175	00.103
TOTAL	41.895	15.797	14.457
Government FTE Costs	02.665	01.203	00.543
Number of FTE (represented by cost)	20	7	4

Complete the Acquisition/Contract information below for this investment:

Provide acquisition/contract information for all contracts and/or task orders in place for this investment. Please note that planned contracts (or contracts that have not yet been awarded) should not be included in the list below.

Contract Number 1: Paper Data Capture and Conversion

Contract Type Used: Firm Fixed Price

Contract Total Value: \$42M

Contract Number 2: Business Transformation/ Information Technology

Contract Type Used: Blanket Purchase Agreement with Firm Fixed Price calls

Contract Total Value: \$40M

Contract Number 3: Program Management Office

Contract Type Used: Firm Fixed Price

Contract Total Value: \$6.8M