

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Summary of Performance and Financial Information

Fiscal Year 2012

a New Day for Federal Service



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
FEBRUARY 2013

United States
of America



THE UNITED STATES OFFICE
of PERSONNEL MANAGEMENT

FISCAL YEAR 2012
SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

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MESSAGE *from the* DIRECTOR

I am pleased to present the United States Office of Personnel Management (OPM) Fiscal Year (FY) 2012 Summary of Performance and Financial Information (SPFI). OPM has chosen to produce the SPFI as an alternative to the consolidated Performance and Accountability Report pursuant to OMB Circular A-136. The SPFI summarizes performance information from OPM's FY 2012 Annual Performance Report and financial information from our FY 2012 Agency Financial Report. OPM believes this approach improves reporting by providing a succinct and more understandable overview of OPM's use of its resources. All three documents are available on the OPM website at <http://www.opm.gov/about-us/budget-performance/performance/>.

Agency Priority Goals

The following five Agency Priority Goals (APGs) are measurable commitments to deliver specific results for the American People: 1) Ensure high quality Federal employees; 2) Increase health insurance choices for Americans; 3) Reduce Federal retirement processing time; 4) Maintain speed of national security background investigations; and 5) Improve performance culture in the five Goals-Engagement-Accountability-Results (GEAR) pilot agencies to inform the development of government-wide policies. A detailed discussion of each APG is included herein.

Finance

For the thirteenth consecutive year, OPM received an unqualified audit opinion on its FY 2012 consolidated financial statements from the independent public accounting (IPA) firm KPMG LLP. OPM can also provide unqualified assurance for its internal control over financial reporting for FY 2012. OPM demonstrated further progress on resolving its information systems general control environment issues, enabling the previously reported material weakness to be reduced to a significant deficiency in FY 2012. Lastly, OPM received an unqualified audit opinion on the FY 2012 individual financial statements of the Retirement, Health Benefits and Life Insurance Programs.

Conclusion

I am extremely pleased with the dedicated and talented employees who continue to meet human resource challenges throughout the Federal government. I am also very confident OPM will continue to make certain the Federal government has an effective and efficient civilian workforce – for Federal employees, retirees, OPM partners, and most importantly the American people whom we serve.

Sincerely,

A handwritten signature in blue ink that reads "John Berry". The signature is written in a cursive, flowing style.

John Berry
Director
February 28, 2013

Introduction

OPM is the central human resources agency for the Federal government. Its mission is to “Recruit, Retain and Honor a World-Class Workforce to Serve the American People.” To carry out this mission, OPM provides human resource advice and leadership to Federal agencies, supports these with human resource policies, holds agencies accountable for their human resource practices, and upholds the merit system principles. Additionally, OPM delivers human resource products and services to agencies on a reimbursable basis, including personnel investigations, leadership development and training, staffing and recruiting assistance, supporting organizational assessments, and training and management assistance.

OPM also delivers services directly to Federal employees, those seeking Federal employment, and Federal retirees and their beneficiaries. OPM operates from its headquarters in the Theodore Roosevelt Federal Office Building at 1900 E Street, NW, Washington, D.C., 20415. OPM delivers a variety of products and services with the help of approximately 5,000 employees in D.C., its field presence in 16 locations across the country, and operating centers in Pittsburgh and Boyers, Pennsylvania; Ft. Meade, Maryland; and Macon, Georgia. OPM’s website is www.opm.gov.

About This Report

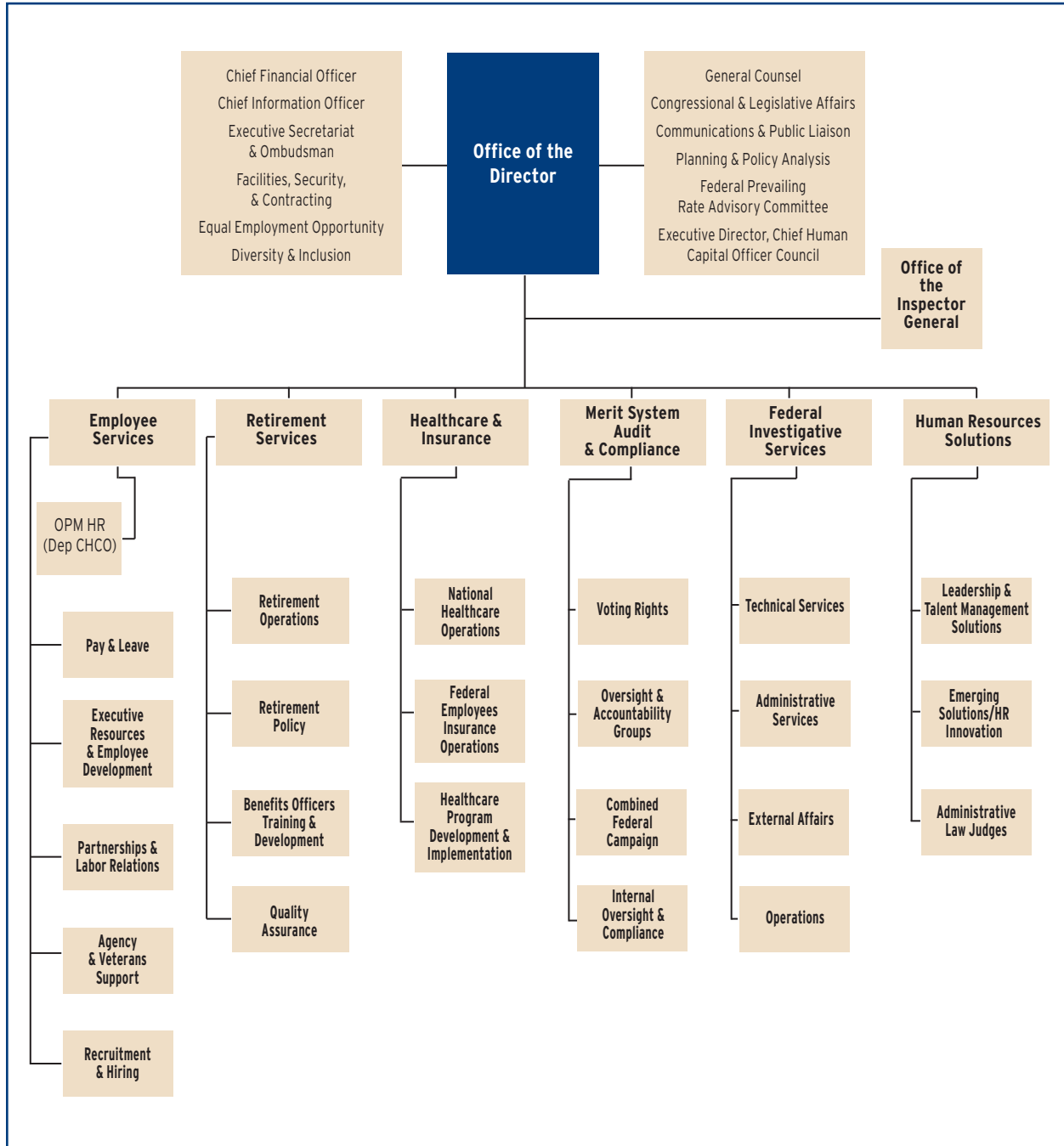
The FY 2012 Summary of Performance and Financial Information (SPFI) is designed to be an executive summary highlighting both financial and performance results. OPM has chosen to produce the SPFI as an alternative to the consolidated Performance and Accountability Report pursuant to OMB Circular A-136.

This SPFI is one in a series of reports used to convey our budget, performance, and financial information to our constituents. OPM believes this approach will improve reporting by making the information more meaningful and transparent to the public, and by providing a more succinct and understandable reporting of OPM’s use of its resources. OPM performance and financial reports can be found on the OPM website at <http://www.opm.gov/about-us/budget-performance/performance/>.

Suggestions for improving this document can be sent to the following address:

U.S. Office of Personnel Management
Center for Budget and Performance
Room 5416
1900 E Street NW
Washington, D.C. 20415

FY 2012 Organizational Structure



Agency Priority Goals

Agency Priority Goals (APGs) are measurable commitments to deliver specific results for the American people. An APG is a near-term result or achievement that the Administration and OPM want to accomplish by September 30, 2013 that relies on agency implementation, as opposed to budget or legislative accomplishments. These goals are highly relevant to the public and are aligned to the agencies key mission areas in order to produce significant results.

OPM's current set of APGs are the following:

- 1) Ensure high quality Federal employees
- 2) Increase health insurance choices for Americans
- 3) Reduce Federal retirement processing time
- 4) Maintain speed of national security background investigations
- 5) Improve performance culture in the five GEAR* pilot agencies to inform the development of government-wide policies

** Goals-Engagement-Accountability-Results (GEAR) is intended to be a new way to manage employee performance. The five pilot agencies are OPM, the Coast Guard, and the Energy, Veterans Affairs and Housing and Urban Development departments.*

The progress OPM has made in FY 2012 to accomplish these goals is discussed in the following section of this report. For more information on APGs across the Federal government, please visit the Federal government's performance website at www.performance.gov.

Program Performance Reviews

As part of fulfilling its responsibilities under the GPRA Modernization Act of 2010, OPM is committed to conducting a program review process, which we have named OPM Performance Point. The goal of OPM Performance Point, which was initiated in October 2011, is to conduct inclusive, evidence-based reviews to evaluate agency priority goal progress, identify issues and potential solutions that will improve program performance. Performance reviews are undertaken in all program areas and occur on a rotating basis every six to seven weeks. The reviews are conducted with participation from the OPM senior management team, including the Director and all Associate Directors. Action items resulting from the reviews are recorded and tracked.

Priority Goal #1: Ensure High Quality Federal Employees

Goal Statement: By September 30, 2013, increase Federal manager satisfaction with applicant quality (as an indicator of hiring quality) from 7.7 to 8.3 on a scale of 1 to 10, while continually improving timeliness, applicant satisfaction, and other hiring process efficiency and quality measures.

Overview

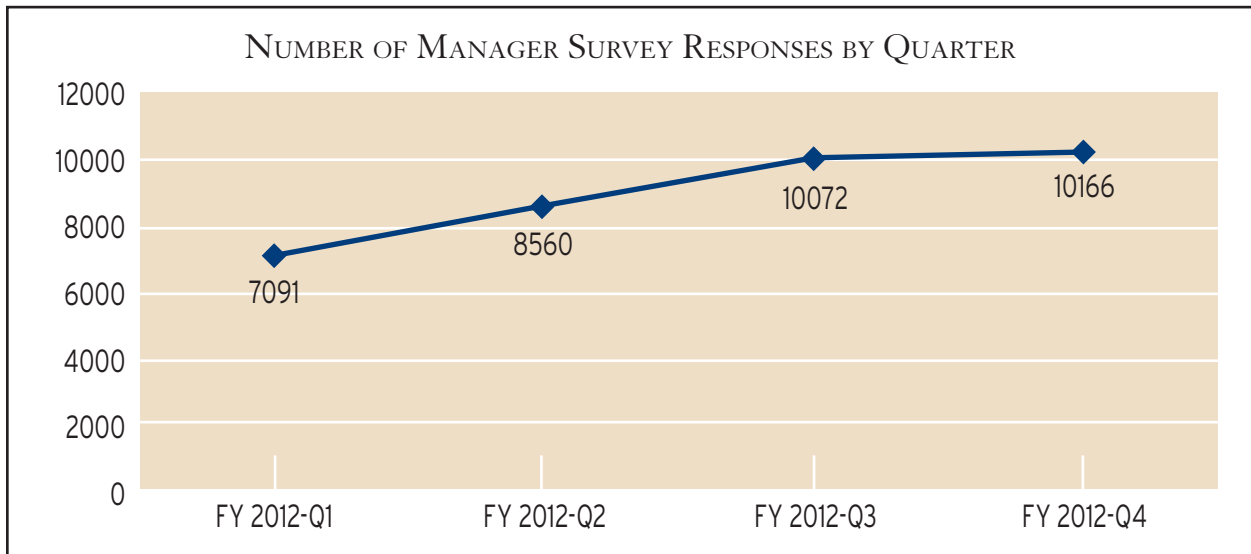
President Obama's Memorandum of May 11, 2010, *Improving the Federal Recruitment and Hiring Process*, outlined the Administration's comprehensive initiative to address major, long-standing impediments to recruit and hire the best and the brightest into the Federal civilian workforce. OPM is spearheading the Government-wide initiative to reform recruiting, hiring and retention policies and procedures. The reform effort will encompass multiple years and will require sweeping changes to streamline and improve the hiring process. OPM leads the effort to ensure Federal agencies acquire, assess, and retain employees with the specific competencies necessary to achieve agencies' goals and missions.

OPM continues assisting agencies in finding, hiring, and retaining the best talent possible for the Federal government. As the human resources management agency for the Government, OPM is responsible for ensuring the Federal hiring process is merit based and protects veterans' preference. However, inherent in this leadership

role, OPM is also responsible for bringing forth new ideas and efficiencies to the Government’s hiring system and monitoring and evaluating their effectiveness. Agencies have indicated in their Human Capital Management Reports (HCMR) that they are focusing on data from the manager satisfaction survey for improvement.

FY 2012 Progress

Agencies are working to increase the number of managers who respond to the survey in order to have sufficient responses for decision-making. The data indicates that those efforts are paying off. The number of manager responses to the manager satisfaction survey improved from 7,091 in the first quarter of FY 2012 to 10,166 in fourth quarter FY 2012, an increase of over 43 percent. OPM is continuing to help agencies build on this positive trend to increase manager response rates.

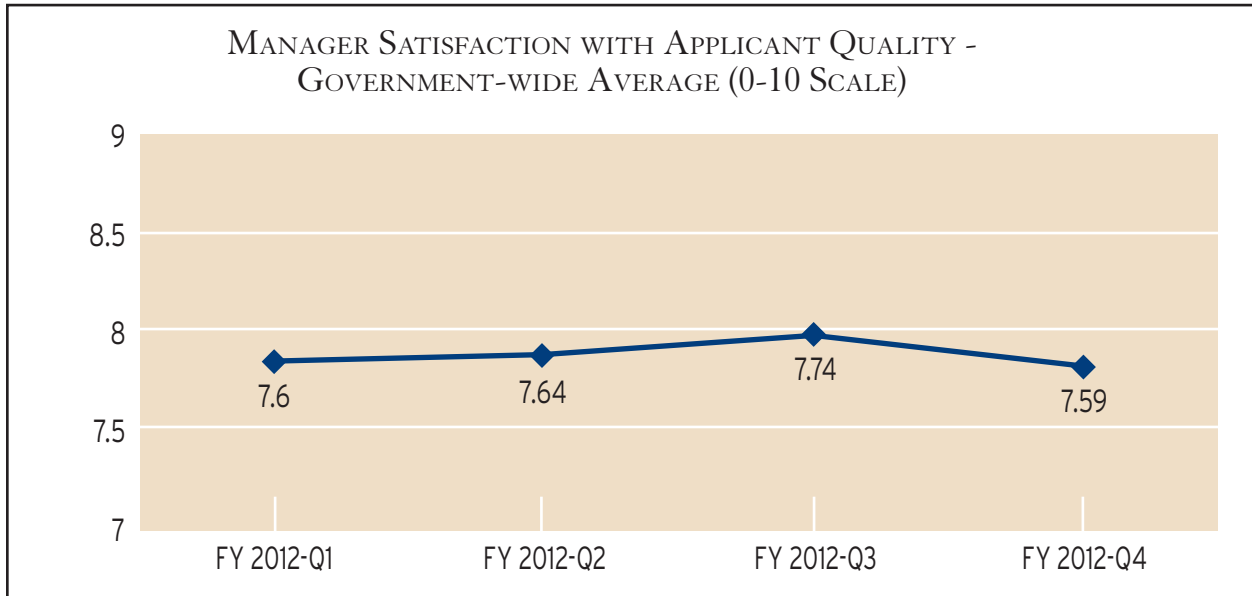


OPM tracks the summary data above by Chief Human Capital Officer (CHCO) agency and provides the information to them on a quarterly basis. Agencies are able to monitor their response rates and institute policies to increase participation in the surveys. Agencies reported in the recent program reviews on hiring reform progress that they have instituted programs to increase the response rates from managers. As an example, the Environmental Protection Agency instituted a policy mandating that hiring managers must complete the survey before a hiring certification would be processed. OPM instituted a similar requirement after our Associate Director of Employee Services raised the idea during an OPM Performance Point meeting.

OPM actively encourages agencies to promote participation in the Managers’ Satisfaction Surveys as a means to measure whether other hiring reform measures are having the desired results. Additionally, the surveys provide important data on managers’ involvement in workforce planning, recruitment and interview process, and in collaboration with their Human Resources (HR) organization.

While still below expectations, manager response rates continue to improve across the Federal government. Government-wide, the response rate is nearly 17 percent. This is a significant improvement compared with pre-hiring reform implementation of 5 percent or less. To correct this deficiency, OPM facilitated a discussion between Deputy CHCOs on the barriers to managers completing the survey. Results of the barrier analysis were briefed to the Deputy CHCO Council and other HR professionals. OPM data shows that managers who are involved in the hiring process rate the quality of applicants higher than those who are not involved; consequently, OPM promotes and supports agency strategies to increase managers’ participation in the hiring process.

The government-wide average for manager satisfaction with applicant quality has continued to increase for the first three quarters of 2012 - up almost two percent from the first quarter of 2012 (7.60) to the third quarter of 2012 (7.74). Fourth quarter results (7.59) dropped for the first time in 2012. With a few exceptions, most agencies are showing incremental improvement in their efforts. Two agencies that declined represent 53 percent of the total fourth quarter 2012 manager responses, and, therefore, have a significant impact on the overall result. OPM continues to assist those agencies in determining the root cause of the decline – in the form of direct engagement by OPM subject matter experts working with agency representatives – to analyze this area of performance.



Priority Goal #2: Increase Health Insurance Choices for Americans

Goal Statement: By October 1, 2013 expand competition within health insurance markets by ensuring participation of at least 2 multi-state health plans in State Affordable Insurance Exchanges.

Overview

Under the Affordable Care Act (ACA), OPM has been designated as the agency responsible for implementing and overseeing the Multi-State Plan Program (MSPP). In accordance with the Act, OPM will contract with at least two health insurance issuers (one of which must be a non-profit) to offer MSPs on each Affordable Insurance Exchange in every state. The law requires that MSPs be offered in at least 31 states in the first year, with coverage expanding to all 50 states and the District of Columbia by year four.

The initial enrollment period will begin on October 1, 2013, and coverage for enrollees will first become effective on January 1, 2014. We expect that multi-state plans (MSPs) will be one of several health insurance options from which individuals and small employers will be able to choose. Affordable Insurance Exchanges are expected to provide health insurance coverage for as many as 25 million Americans.

A MSP is a new type of insurance product that has never been offered before in the private insurance market or through public programs. As a general rule, MSPs are subject to the same State and Federal laws and regulations as are the qualified health plans that are also to be offered through the Exchanges. A MSP offered under a contract with OPM will be deemed certified to be offered on Affordable Insurance Exchanges. MSP issuers will not have to apply separately to each State to offer coverage on that State’s Exchange.

States are in the process of establishing their Exchanges and some States are farther along in this process than others. Many states have chosen not to create their own Exchanges and will instead be serviced by Federally Facilitated Exchanges established by the U.S. Department of Health and Human Services (HHS). OPM is implementing the MSPP during the same time period that Exchanges are being established, both by individual States and by HHS.

FY 2012 Progress

OPM established a new organization, National Healthcare Operations (NHO), to handle OPM's responsibilities under the Affordable Care Act. OPM recruited and hired staff with private health insurance experience as well as knowledge of the ACA and health insurance plan contracting.

On September 20, 2012, OPM published a draft MSPP issuer application on the Federal Business Opportunities website and subsequently received numerous comments from issuers, States, consumer and industry representatives, tribal organizations, and healthcare accrediting organizations. OPM is reviewing those comments and will publish a written version of the final application shortly. At the same time, OPM has been working to develop an on-line application tool for issuers interested in participating in the MSPP. OPM has also been developing a standard MSPP contract.

On November 30, 2012, OPM published a notice of proposed rulemaking to implement the MSPP on its website. The comment period opened on December 5, 2012 and ran through January 4, 2013.

Throughout 2012, OPM fully participated in the inter-agency process to implement the ACA, including attending senior leadership level inter-agency implementation strategy meetings with the Domestic Policy Council (DPC), the Office of Management and Budget (OMB), the Department of Health and Human Services (HHS), and the Departments of Labor and Treasury. OPM is also serving on the Inter-Agency Exchanges Information Technology (IT) Steering Committee as well as the committee's workgroups. OPM is participating in the Centers for Medicare and Medicaid Services Exchanges Communications Workgroup.

OPM is closely coordinating MSPP implementation activities with management and staff at HHS and the Centers for Medicare and Medicaid Services (CMS) involved in implementing Affordable Insurance Exchanges, including coordination of policy, operational, and systems development activities.

OPM reviewed and commented on HHS, Treasury, and Labor regulations with respect to their impact on MSPs, and negotiated provisions in these regulations to facilitate successful implementation of the MSPP.

OPM continued outreach to stakeholders, including potential issuers, providers, consumers, and State officials. OPM held discussions with National Association of Insurance Commissioners (NAIC) staff on MSPP implementation, and attended NAIC and National Governors Association meetings. OPM has held discussions with 30 States on the MSPP. OPM also coordinated with the Center for Consumer Information and Insurance Oversight (CCIIO) State Exchange Team to answer questions from State officials on MSPP, and participated in 12 CCIIO State Exchange Design Review meetings.

Priority Goal #3: Reduce Federal Retirement Processing Time

Goal Statement: By July 31, 2013, Retirement Services will have eliminated its case backlog so that 90 percent of all claims will be adjudicated within 60 days.

Overview

The Office of Personnel Management (OPM) is responsible for the administration of the Federal Retirement Program covering over 2.7 million active employees and 2.5 million annuitants. This responsibility is shared with agency partners who counsel their employees and administer the initial retirement application process, and submit the employee's application, with all supporting documentation, to OPM's Retirement Services. Because some of the information contained in retirement applications is payroll data, this process is coordinated with Payroll Shared Service Centers (SSC), with whom agencies contract to provide payroll services. When the records submitted by the agencies and the SSCs are accurate and complete, processing is much faster. However, when data elements are missing, OPM must request the documentation necessary to process the request—a significant time and labor burden, which contributes to OPM's current inventory. In order to reduce the inventory within 18 months so that all but the most complex retirement cases are processed within 60 days, OPM will focus on the following four pillars: People; Productivity and Process Improvement; Partnerships with Agencies; and Partial, Progressive IT Improvements.

FY 2012 Progress

In January 2012, OPM developed a strategic plan to reduce the retirement claims inventory within 18 months and improve the program application process so that 90 percent of all retirement claims will be adjudicated within 60 days. The plan focused on four areas that we call the four pillars:

1. People

- Bring “all hands on deck” to add claims production capacity immediately;
- Hire new Legal Administrative Specialists (LAS); and,
- Hire new Customer Service Specialists (CSS).

2. Productivity and Process Improvement

- Review process enhancements with the goal of increasing production;
- Expand work hours with the effective use of overtime;
- Complete a Lean Six Sigma review of the claims process; and,
- Improve LAS production capabilities by providing complete cases and removing superfluous duties.

3. Partnering with Agencies

- Improve the accuracy and completeness of incoming claims;
- Involve agency Chief Human Capital Officers; and,
- Provide more frequent feedback to agencies on claims deficiencies.

4. Partial, Progressive Information Technology (IT) Improvements

- Pursue a long-term data flow strategy;
- Explore a short-term strategy to leverage the work agencies do now; and,
- Review and upgrade systems used by LAS.

To increase processing capacity, OPM hired 66 new Legal Administrative Specialists (LAS) and 22 temporary Customer Service Specialists (CSS). In addition, employees from other parts of Retirement Services and recent retirees are being brought back into claims processing. These critical resources will focus efforts on analyzing claims and adjudicating cases; thereby reducing the case inventory.

OPM is committed to improving our processes within Retirement Services. As part of this effort, the Department of Navy assisted OPM in conducting a Lean Six Sigma review in our Boyers, PA office to determine where we could streamline procedures and enhance outputs. The Washington, D.C. office will undergo a Lean Six Sigma review performed by a private firm in FY 2013.

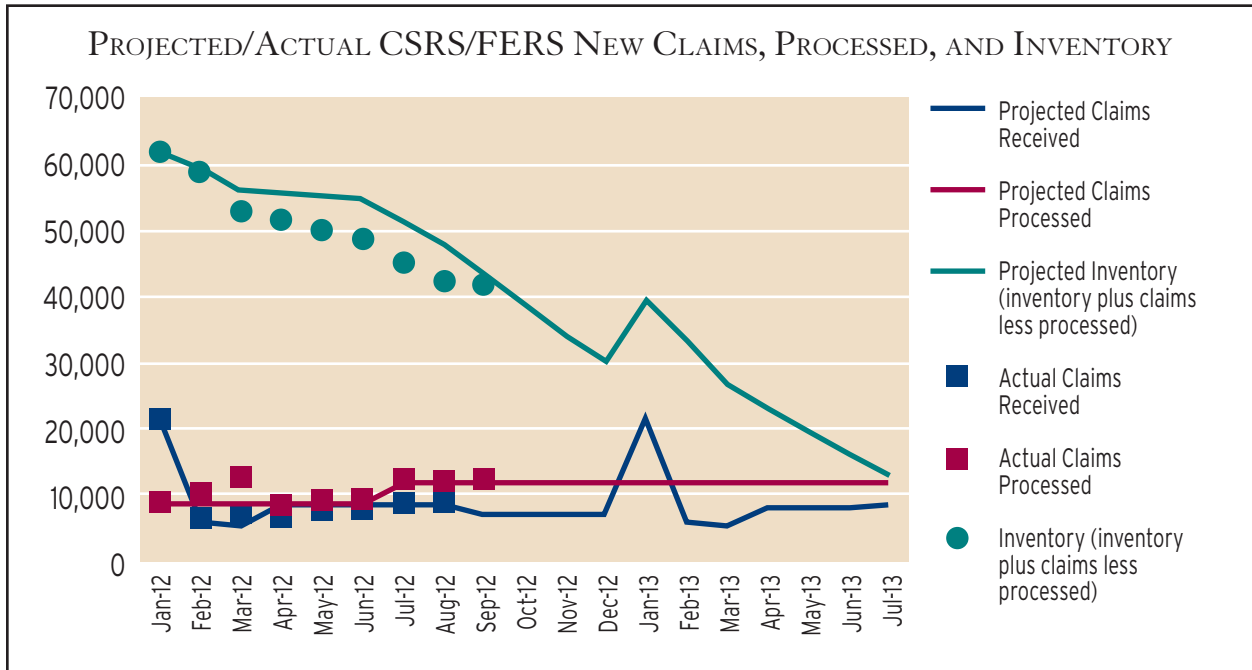
Based on the recommendations of the Lean Six Sigma review in Boyers, PA, we have implemented new strategies to create a more streamlined workflow. For example, OPM has re-allocated staff to create a case development team focused on case assembly. This group contributes to reducing overall processing time by fully developing cases (gathering essential employee data into case files) before the cases are adjudicated; thus freeing up critical LAS time from case assembly to case analysis and adjudication. This team also provides resolution support to the cases which tend to be our most complex and for cases where customers have experienced the longest delays. CSS personnel ensure that all cases sent to the Legal Administrative Specialists are complete and ready to be adjudicated.

Another improvement, known as Tier II Process or escalation management, involves the practice of handing off complex phone inquiries to a higher level staffer. The higher level staffer creates an escalation form and then designated branches within the Retirement Services organization are responsible for responding to the inquiry within five business days.

In addition, we have instituted a new process within our call center so that LAS are not burdened by calls that should be answered by others. OPM is also streamlining the administrative case review and audit process. Previously, all adjudicated cases were reviewed prior to the finalization of the full annuity payment amount. OPM is pilot testing an enhanced review and audit process that will automatically approve adjudicated cases for finalization where the risk of error is minimal.

To improve the quality and completeness of retirement packages, OPM is working with agencies to ensure the cases we receive are complete. In December 2011, OPM's Retirement Services organization briefed the Chief Human Capital Officers Council where agency CHCOs agreed to the need for additional training for their agency human resources employees. OPM then conducted training on the retirement claims application process in February and June 2012. Customer Service Specialists will complete a review of agency submitted information and convey the errors back to individual agencies to improve their application submissions. OPM's training efforts to date have made an impact as the rate of complete retirement submissions has increased from 82 to 85 percent during FY 2012.

As a result of our efforts to date, OPM is ahead of schedule in meeting our inventory reduction targets. As can be seen in the graph below, OPM's inventory has been reduced from 61,108 in January 2012 to 41,176 by the end of September 2012 - a reduction of 33 percent.



Priority Goal #4: Maintain Speed of National Security Background Investigations

Goal Statement: Through September 30, 2013, maintain a 40 day or less average completion time for the fastest 90 percent of initial national security investigations.

Overview

OPM provides background investigations for more than 100 Federal agencies. These background investigations are used as a basis for making security clearance, suitability, or fitness determinations. To support high-volume investigative requirements, OPM manages a complex suite of automated systems. In 2004, the year Congress passed the Intelligence Reform and Terrorism Prevention Act (IRTPA), initial clearance investigations for Top Secret clearances took an average of 392 days and all initial clearances took 179 days. At the end of FY 2012, the fastest 90 percent of all initial investigations took an average of only 36 days to complete. Over the last few years, the Federal government has made critical advances in reforming the security clearance process. While there is still work to be done, individuals seeking to work for the Federal government now face a substantially different clearance experience than they did just a few years ago.

FY 2012 Progress

OPM's partnership with the Office of the Director of National Intelligence (ODNI) and the Department of Defense (DOD) in leading Security and Suitability Process Reforms has given the Executive Branch a roadmap to sustain timeliness, and OPM will continue to insure the recommended process reforms are successfully implemented.

Although the priority goal of investigative timeliness is a legal mandate outlined in IRTPA, optimal investigative performance is dependent on a proper balance of quality and cost along with timeliness. FY 2012 milestones were established to support the priority goal, understanding that effective support of reciprocity

policies which permit agencies to quickly accept the investigative and adjudicative work of other agencies without additional resource investments, will always provide the best value to the American taxpayer.

As of the end of FY 2012, OPM exceeded its timeliness mandate by completing the fastest 90 percent of initial national security investigations in only 36 days. Not only did this beat the target by four days, but 99.93 percent of all our investigations met quality standards and were accepted by our customer agencies. The average timeliness for the slowest 10 percent of the initial national security investigations for FY 2012 was 113 days, which was a 10-day improvement from the 123 days seen for FY 2011.

Additionally, in an effort to be more transparent in the way OPM establishes its pricing, Federal Investigative Services obtained contractor support to assist with business management planning, developing a cost allocation model, and organizing monetary resources.

Priority Goal #5: Improve Performance Culture in the Five GEAR Pilot Agencies to Inform the Development of Government-wide Policies

Goal Statement: By September 30, 2013, employee responses to the Employee Viewpoint Survey in each of 5 agencies participating in a performance culture pilot project will increase by 5 percent or greater on the results-oriented culture index and the conditions for employee engagement index, using 2011 survey results as the baseline.

Overview

Goals-Engagement-Accountability-Results (GEAR) began with the goal of improving the federal performance management system; the goal evolved to be a set of recommendations for changing the performance culture of Federal agencies. By engaging front-line employees and agency managers through their labor unions and chief human capital officers (CHCO's), a working group of the National Council on Federal Labor-Management Relations and the Chief Human Capital Officers Council (CHCOC) developed a report on better ways of selecting the right people for supervisory opportunities, adequately training them, and subsequently supporting them in the conduct of their supervisory responsibilities. GEAR provides ways to drive the importance of employee performance management up to the highest levels of our agencies by promoting accountability through Open Government and driving agencies' top priorities.

OPM is the lead on a test of the GEAR system underway at five agencies: OPM, the U.S. Coast Guard, and the Departments of Energy (DOE), Veterans Affairs (VA), and Housing and Urban Development (HUD).

FY 2012 Progress

In conjunction with the CHCOC, OPM is providing extensive support to the pilot agencies in implementing the GEAR recommendations developed by the National Council on Federal Labor-Management Relations. The American people expect its Federal employees to be engaged and well equipped to deliver and improve government services – GEAR will facilitate reaching this goal.

OPM convenes meetings of all five pilot agencies on at least a quarterly basis. The purpose of these meetings is for each pilot agency to: 1) provide a progress report on implementation; 2) share examples of tools and practices being developed; and 3) share lessons learned of challenges encountered in implementing the pilot and how these challenges were and are being addressed.

OPM has also established a GEAR Pilot page on OMB's MAX website to facilitate the sharing of information among the pilot agencies and allowing other agencies to have access to GEAR pilot information, tools and resources.

DOE, HUD and OPM provided updates on their pilots to the National Council on Federal Labor-Management Relations on September 19, 2012. The VA and the Coast Guard updated the National Council on November 28, 2012.

Finally, OPM offers on-going technical assistance and leadership to all GEAR pilot agencies. This is being achieved in a variety of ways. As an example, OPM policy experts on GEAR and performance management have participated in pilot agency rollout activities (i.e., employee town hall meetings, internal agency planning meetings, etc.); have provided technical advice and assistance on performance management; and facilitated access to training resources to support GEAR implementation.

OPM's key indicators for this agency priority goal come from the results of the 2012 Employee Viewpoint Survey (EVS). A specific set of EVS questions or survey sub-factors make up the Performance Culture Index and the Employee Engagement Index respectively (see Appendix B for more information). These indexes measure how well agencies are engaging employees to create an effective results-oriented performance culture. Agency specific results for OPM, HUD, and DOE are shown below.

Key Indicator - Performance Culture	FY 2011 Baseline	FY 2012 Interim Result	FY 2013 Target
Performance Culture Index - OPM	60.23	59.40	63.24
Performance Culture Index - HUD	49.30	49.60	51.76
Performance Culture Index - DOE	52.77	53.30	55.41

Key Indicator - Employee Engagement	FY 2011 Baseline	FY 2012 Interim Result	FY 2013 Target
Employee Engagement Index - OPM	71.67	70.70	75.25
Employee Engagement Index - HUD	61.39	62.00	64.46
Employee Engagement Index - DOE	63.44	64.90	66.61

The pilot agencies meet regularly to discuss their progress in implementing GEAR and to share lessons learned and best practices. Each pilot agency has developed a comprehensive action plan using the report framework. The pilot agencies provide a progress report of their action plans on at least a quarterly basis. The pilot agencies meet regularly to achieve the following:

- Articulate a high performance culture;
- Align employee performance management with organizational performance management;
- Implement accountability at all levels;
- Create a culture of engagement; and,
- Improve the assessment, selection, development and training of supervisors.

It should be noted that only OPM, HUD, and DOE are implementing GEAR at sufficient scale in order to currently rely on EVS results as a measure. OPM will continue to monitor the progress of the VA National Cemetery Administration and the U.S. Coast Guard (USCG). Results from the EVS are not available for VA and the Coast Guard because the GEAR implementation in those organizations is not agency-wide and data from the EVS cannot be segregated for individual agency components. As the VA and USCG refine and implement their processes and procedures across the full scope of their subordinate elements, they will be tracked and measured in the same manner as the other three pilot agencies.

Beginning in January 2013, OPM will assess and develop a set of recommendations for implementing the GEAR program across Federal agencies.

OPM Top Management Challenges

On October 31, 2012, OPM's Office of the Inspector General (OIG) identified the top management challenges facing the Agency. The OIG divided the challenges into two key types:

Environmental Challenges, which result mainly from factors external to OPM and which may be long term or even permanent; and Internal Challenges, which OPM has more control over and which are likely short-term, temporary challenges. The top management challenges are shown below:

Environmental Challenges

- Strategic Human Capital;
- Federal Health Insurance Initiatives; and,
- Background Investigations.

Internal Challenges

- Information System Development;
- Information Security Governance;
- Financial Management System and Internal Controls: Revolving Fund and Salaries and Expenses Accounts;
- Stopping the Flow of Improper Payments; and,
- Retirement Claims Processing.

As a result of the progress made by OPM, the OIG removed the challenges shown below that were on this list last year:

- Tribal Healthcare – FEHBP Participation
- Pre-Existing Condition Insurance Plan
- Improving Internal Controls over OPM's Human Resources Solutions (HRS) Vendor Management Branch Operations

During FY 2012, OPM made significant strides in addressing the management challenges identified by the OIG. A detailed accounting of OPM's FY 2012 actions to address the management challenges can be found in OPM's FY 2012 Agency Financial Report at <http://www.opm.gov/about-us/budget-performance/performance/2012-agency-financial-report.pdf>.

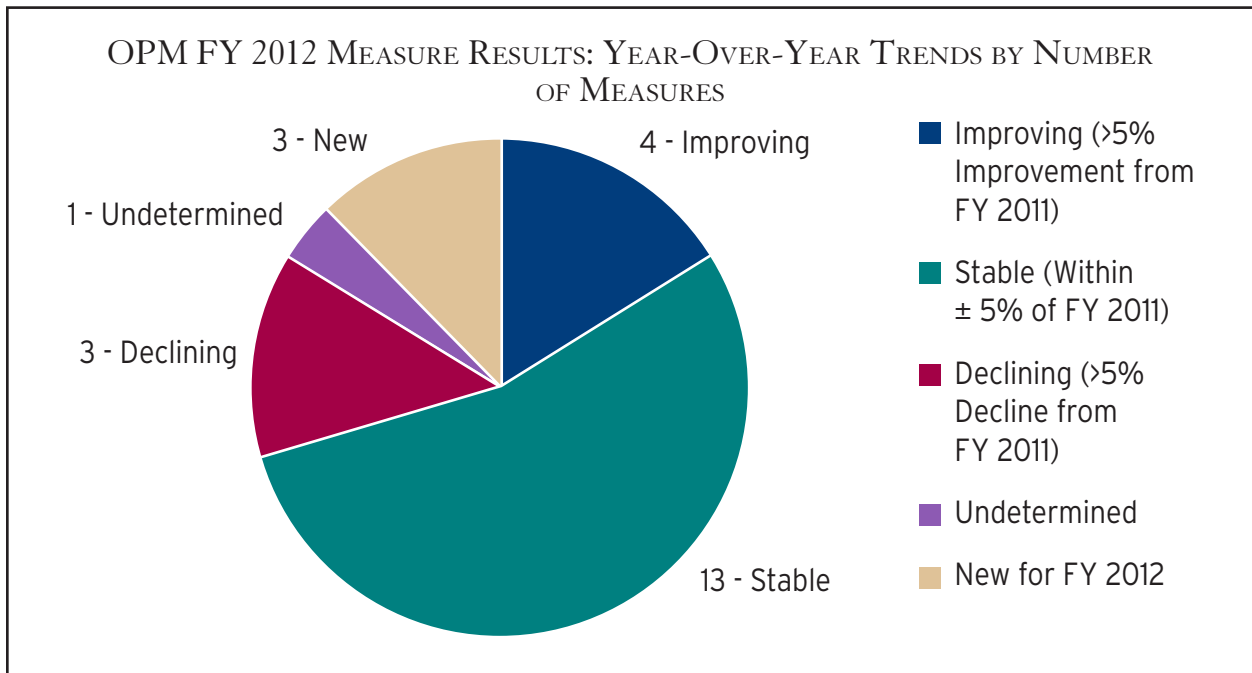
OPM Mission and Strategic Goals

The OPM Strategic Plan 2010-2015 (updated for 2012 – 2015) is the starting point for performance and accountability. The strategic plan includes the Agency’s mission statement and also describes OPM’s five strategic goals. These strategic goals are as shown in the table below. The strategic goals are supported by a series of implementation strategies and performance indicators to gauge progress. OPM also reviews its performance measures as part of the annual budget planning, which ensures both internal and external stakeholders understand the level of program performance expected for the resources.

OPM’s Mission: Recruit, Retain, and Honor a World-Class Workforce to Serve the American People	
Strategic Goals	Goal Statements
Hire the Best	Recruit and hire the most talented and diverse Federal workforce possible to serve the American people
Respect the Workforce	Provide the training, benefits, and work-life balance necessary for Federal employees to succeed, prosper, and advance in their careers
Expect the Best	Ensure the Federal workforce and its leaders are fully accountable and are fairly appraised while having the tools, systems, and resources to perform at the highest levels to achieve superior results
Honor Service	Ensure comparable recognition and reward for exemplary performance of current employees and honor the careers of Federal retirees
Improve Access to Health Insurance	Develop and administer programs that provide high quality and affordable health insurance to uninsured Americans through Affordable Insurance Exchanges, uninsured Americans with pre-existing medical conditions who cannot otherwise purchase coverage, and employees of tribes or tribal organizations

FY 2012 Performance Results

Our goal at OPM is to improve performance in areas where we set targets, surpass those targets when we can and making tremendous progress toward them, even when the targets themselves are missed. It is not about meeting targets for their own sake, but to advance a larger purpose and usually with multiple external factors affecting prospects for success. With this perspective in mind, the figure below shows a year-over-year comparison of OPM's performance measure results.



Of the 21 measures being reported in FY 2012 that were also reported in FY 2011 (3 are new measures), 17 measure results are either stable or improving, and only three results declined by more than five percent from FY 2011. Areas where OPM has improved in FY 2012 include: 1) Improving the timeliness of security investigations; 2) Reducing the errors in investigation processing; 3) Reducing the number of financial material weaknesses; and 4) Reducing the cost of processing retirement claims. Areas where results have declined from the previous year include: 1) Delegated examining units identified with severe problems showing improvement after one year; 2) CHCO agencies maintaining a performance culture; and 3) Decreasing training of Federal agency benefits officers.

This perspective of the data should offer a level of comfort to the reader knowing that although OPM did not meet 11 performance targets in FY 2012, only three performance measures are in the declining category. This information will allow OPM managers to focus their efforts in the upcoming year to improve our performance in FY 2013 and beyond. The GPRM Modernization Act requires agencies to report whether they met, or are on track to meet, specific targets. This information is provided in the following summary tables.

Summary Performance Tables by Strategic Goal

Strategic Goal #1: Hire *the Best*

Performance Measure	FY 2008 Results	FY 2009 Results	FY 2010 Results	FY 2011 Results	FY 2012 Results	FY 2012 Target	Met/ Not Met	Year-over-Year Trend
For CHCO agencies, percent of applicants that respond to the Chief Human Capital Officer (CHCO) survey with a positive rating indicating satisfaction with the job application process	n/a	70%	70%	69%	70%	72%	Not Met	↔ Stable
Percent of agencies that meet or exceed their baseline goal for hiring veterans	n/a	n/a	n/a	91%	Undetermined	83%	Undetermined	Undetermined
Percent of employees in the Federal Government with targeted disabilities	0.96% (r)	0.94% (r)	0.95%	0.96% (r)	0.99%	1.25%	Not Met	↔ Stable
Average number of days to complete the fastest 90 percent of initial national security investigations to meet the Intelligence Reform and Terrorism Prevention Act	n/a	n/a	39	40	36	40	Met	↗ Improving
Investigations determined to be deficient due to errors in investigations processing	0.10%	0.08%	0.16%	0.15%	0.07%	≤ 0.3%	Met	↗ Improving

(r) Revised from the FY 2011 OPM Annual Performance Report
n/a - Not Applicable - no historical data available for this period.

Strategic Goal #2: Respect *the* Workforce

Performance Measure	FY 2008 Results	FY 2009 Results	FY 2010 Results	FY 2011 Results	FY 2012 Results	FY 2012 Target	Met/ Not Met	Year-over-Year Trend
Percent increase in FEHB premiums less than or equal to private sector premium increases for comparable benefits	n/a	n/a	7.3%	3.8%	3.4%	FEHB ≤ Industry Standard 2012 Target ≤ 5.5% to 7%	Met	↔ Stable
Percent of FEHBP enrollees satisfied vs. health industry standard	FEHBP 78% Industry 60%	FEHBP 77% Industry 62%	FEHBP 77% Industry 63%	FEHBP 76% Industry 64%	FEHBP 78% Industry 66%	FEHBP ≥ Industry Standard	Met	↔ Stable
Percent of health benefits claims processed within 30 working days	99%	98%	99%	98%	97%	95%	Met	↔ Stable
Average number of days to pay Federal Employees Group Life Insurance claims	6.3	5.5	4.3	4.4	4.2	< 10 day industry standard	Met	↔ Stable
Percent of Federal Long Term Care Insurance Program customers satisfied with overall customer service	98%	99%	93%	92%	91%	90%	Met	↔ Stable
FEHBP prescription drug cost growth as a percentage of the private sector industry average.	n/a	n/a	n/a	n/a	2.2%	< 80% of Industry Cost Growth 2012 Target ≤ 2.0%	Not Met	n/a

n/a - Not Applicable - no historical data available for this period.

Strategic Goal #3: Expect *the Best*

Performance Measure	FY 2008 Results	FY 2009 Results	FY 2010 Results	FY 2011 Results	FY 2012 Results	FY 2012 Target	Met/ Not Met	Year-over-Year Trend
Percent of delegated examining units found to have severe problems with their competitive examining programs demonstrate satisfactory level of competence or cease to operate independently within one year following completion of an audit	n/a	n/a	n/a	100%	91%	85%	Met	↘ Declining
Index score of customer satisfaction with HR Solutions products and services (ACSI-Equivalent Index)	84	84	80	75	76	80	Not Met	↔ Stable
Percent of customers agreeing that HR Solutions products and services contribute to Government effectiveness	94%	99%	93%	87%	88%	90%	Not Met	↔ Stable
Percentage of payments within Prompt Pay Act guidelines	99.9%	92.9%	85.3%	98.3% (r)	96.2%	98%	Not Met	↔ Stable
Number of financial material weaknesses	0	0	1	1	0	0	Met	↗ Improving
Percent of CHCO agencies having a Performance Culture Index (PCI) of 55 or more	n/a	n/a	52%	56%	48%	38%	Met	↘ Declining

(r) Revised from the FY 2011 OPM Annual Performance Report
n/a - Not Applicable - no historical data available for this period.

Strategic Goal #4: Honor Service

Performance Measure	FY 2008 Results	FY 2009 Results	FY 2010 Results	FY 2011 Results	FY 2012 Results	FY 2012 Target	Met/ Not Met	Year-over-Year Trend
Percent of agency benefit officers trained per year	52%	52%	61%	60%	55%	54%	Met	↘ Declining
Percent of retirement and survivor claims processed accurately	95%	91%	94%	94%	92%	95%	Not Met	↔ Stable
Average unit cost for processing retirement claims	\$74.28	\$81.97	\$105.94	\$107.62	\$101.89	\$99.79	Not Met	↗ Improving
Rate of improper payments in the retirement program	0.39%	0.32%	0.35%	0.34%	0.36%	0.34%	Not Met	↔ Stable
Percent of customers satisfied with overall retirement services	83%	85%	81%	76%	73%	85%	Not Met	↔ Stable

Strategic Goal #5: Improve Access to Health Insurance

Performance Measure	FY 2008 Results	FY 2009 Results	FY 2010 Results	FY 2011 Results	FY 2012 Results	FY 2012 Target	Met/ Not Met	Year-over-Year Trend
Achieve a Pre-Existing Condition Insurance Plan customer satisfaction level equivalent to the top-ten Federal Employee Health Benefit Program plans	n/a	n/a	n/a	n/a	74%	70%	Met	n/a
Number of tribal enrollees in the Federal Employees Health Benefits Program	n/a	n/a	n/a	n/a	3,323	18,000	Not Met	n/a

n/a - Not Applicable - no historical data available for this period.

FY 2012 Financial Report

In accordance with the Chief Financial Officers Act of 1990 and the Government Management Reform Act of 1994, OPM prepares consolidated financial statements for OPM, which include OPM operations, as well as the individual financial statements of the Retirement, Health Benefits, and Life Insurance Programs. These statements are audited by an independent certified public accounting firm, KPMG LLP. For the thirteenth consecutive year, OPM has earned an unqualified audit opinion on its consolidated financial statements and on the individual financial statements of the Retirement, Health Benefits, and Life Insurance Programs, respectively. These consolidated and individual financial statements are the:

- Balance Sheet (consolidated)
- Statement of Changes in Net Position (consolidated)
- Statement of Net Cost (consolidated)
- Statement of Budgetary Resources (combined)

Balance Sheet

The Balance Sheet (see page 22) is a representation of OPM's financial condition at the end of the fiscal year. It shows the resources OPM holds to meet its statutory requirements (*Assets*); the amounts it owes that will require payment from these resources (*Liabilities*); and, the difference between them (*Net Position*). See page 24 for OPM's Statement of Changes in Net Position.

Assets

At the end of FY 2012, OPM held \$961 billion in assets, an increase of 4.1 percent from \$923 billion at the end of FY 2011. The majority of OPM's assets are intragovernmental, representing claims against other Federal entities. The Balance Sheet separately identifies intragovernmental assets from all other assets.

The largest category of assets is investments at \$944 billion, which represents 98.2 percent of all OPM assets. OPM invests all Retirement, Health Benefits, and Life Insurance Program collections not needed immediately for payment in special securities issued by the U.S. Treasury. As OPM routinely collects more money than it pays out, its investment portfolio and consequently, its total assets, continues to grow. In FY 2012, the investment portfolio grew by 3.0 percent, with the largest increase for investments occurring in the Retirement Program.

Liabilities

At the end of FY 2012, OPM's total liabilities were \$2,054 billion, an increase of 7.1 percent from \$1,918 billion at the end of FY 2011. Three line items — the Pension, Post-Retirement Health Benefits, and the Actuarial Life Insurance Liabilities — account for 99.4 percent of OPM's liabilities.

The *Pension Liability*, which represents an estimate of the future cost to provide CSRS and FERS benefits to current employees and annuitants, is \$1,678 billion at the end of FY 2012, an increase of \$145 billion, or 9.5 percent from the end of the previous year.

The *Post-Retirement Health Benefits Liability*, which represents the future cost to provide health benefits to active employees after they retire, is \$316 billion at the end of FY 2012. This reflects a decrease of approximately \$13 billion from the amount at the end of FY 2011, or 4.0 percent.

The *Actuarial Life Insurance Liability* is different from the Pension and Post-Retirement Health Benefits Liabilities. Whereas the other two are liabilities for “post-retirement” benefits only, the Actuarial Life Insurance Liability is an estimate of the future cost of life insurance benefits for both deceased annuitants and for employees who die in service. The Actuarial Life Insurance Liability increased by approximately \$2 billion in FY 2012 to \$46 billion, or 6.1 percent from the end of the previous year.

Statement of Net Cost

The Statement of Net Cost (SNC) in the Federal government is different from a private-sector income statement in that the SNC reports expenses first and then subtracts the revenues that financed those expenses to arrive at a net cost.

OPM’s SNC (see page 23) presents its cost of providing four major categories of benefits and services: Civil Service Retirement and Disability Benefits (CSRS and FERS), Health Benefits, and Life Insurance Benefits, as well as Human Resources Services. OPM derives its Net Cost by subtracting the revenues it earned from the gross costs it incurred in providing each of these benefits and services.

OPM’s total FY 2012 Net Cost of Operations was \$142.0 billion, as compared with a (\$17.4) billion net income in FY 2011. The primary reason for the increase in net cost is due to changes in the actuarial assumptions, as further discussed in OPM’s FY 2012 Agency Financial Report at <http://www.opm.gov/about-us/budget-performance/performance/2012-agency-financial-report.pdf>.

Statement of Budgetary Resources

In accordance with Federal statutes and implementing regulations, OPM may incur obligations and make payments to the extent it has budgetary resources to cover such items. The Statement of Budgetary Resources (SBR) presents the sources of OPM’s budgetary resources, their status at the end of the year, and the relationship between its budgetary resources and the outlays it made against them (see page 25).

In FY 2012, changes to the presentation of the Combined and Combining SBRs were made, in accordance with guidance provided in OMB Circular No. A-136. As such, activity and balances reported on the FY 2011 Combined and Combining SBRs have been reclassified to conform to the presentation in the current year. Certain other prior year amounts have also been reclassified to conform with the current year presentation.

As presented in the SBR, a total of \$225.7 billion in budgetary resources was available to OPM for FY 2012. OPM’s budgetary resources in FY 2012 include \$55.9 billion (24.8 percent) carried over from FY 2011, plus three major additional sources:

- Appropriations Received = \$44.0 billion (19.5 percent)
- Trust Fund receipts of \$98.4 billion, less \$24.0 billion¹ not available = \$74.4 billion (33.0 percent)
- Spending authority from offsetting collections (SAOC) = \$51.3 billion (22.7 percent).

Appropriations are funding sources resulting from specified Acts of Congress that authorize Federal agencies to incur obligations and to make payments for specified purposes. OPM’s appropriations partially offset the increase in the Pension Liability in the Retirement Program, and fund contributions for retirees and survivors who participate in the Health Benefits and Life Insurance Programs.

Trust Fund Receipts are Retirement Program contributions and withholdings from participants, and interest on investments.

Spending Authority from Offsetting Collections includes contributions made by and for those participating in the Health Benefits and Life Insurance, and revenues in Revolving Fund Programs.

¹Total budgetary resources do not include \$22.3 billion of Trust Fund receipts for the Retirement obligations pursuant to public law. In addition, in accordance with Public Law 109-435, contributions for the PSRHB Fund of the Health Benefits Program are precluded from obligations totaling \$45.3 billion and therefore temporarily not available.

FY 2012 SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

U.S. OFFICE OF PERSONNEL MANAGEMENT
 CONSOLIDATED BALANCE SHEETS
 As of September 30, 2012 and 2011
 (In Millions)

	FY 2012	FY 2011
ASSETS		
Intragovernmental:		
Fund Balance with Treasury [Note 2]	\$2,050	\$2,023
Investments [Note 3]	943,810	916,205
Accounts Receivable [Note 4]	13,003	2,686
Total Intragovernmental	958,863	920,914
Accounts Receivable from the Public, Net [Note 4]	1,340	1,341
General Property and Equipment, Net	33	27
Other [Note 1L]	721	739
TOTAL ASSETS	\$960,957	\$923,021
LIABILITIES		
Intragovernmental [Note 6]	\$710	\$594
Federal Employee Benefits:		
Benefits Due and Payable	11,079	10,526
Pension Liability [Note 5A]	1,678,200	1,532,600
Postretirement Health Benefits Liability [Note 5B]	316,197	329,204
Actuarial Life Insurance Liability [Note 5C]	46,446	43,786
Total Federal Employee Benefits	2,051,922	1,916,116
Other [Notes 6 and 7]	1,357	1,239
Total Liabilities	2,053,989	1,917,949
NET POSITION		
Unexpended Appropriations - Other Funds	137	154
Cumulative Results of Operations - Earmarked Funds [Note 8]	(1,093,596)	(995,474)
Cumulative Results of Operations - Other Funds	427	392
Total Net Position	(1,093,032)	(994,928)
TOTAL LIABILITIES AND NET POSITION	\$960,957	\$923,021

The accompanying notes are an integral part of the financial statements.

FY 2012 SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

U.S. OFFICE OF PERSONNEL MANAGEMENT CONSOLIDATED STATEMENTS OF NET COST For the Years Ended September 30, 2012 and 2011 (In Millions)			
		FY 2012	FY 2011
Provide CSRS Benefits	Gross Costs	\$70,405	\$20,307
	Less: Earned Revenue	20,325	21,508
	Net Cost	50,080	(1,201)
	(Gain)/Loss on Pension, ORB, or OPEB		
	Assumption Changes [Note 5A]	82,866	11,272
	Net Cost of Operations [Notes 9 and 10]	<u>\$132,946</u>	<u>\$10,071</u>
Provide FERS Benefits	Gross Costs	\$43,199	\$18,567
	Less: Earned Revenue	41,439	41,288
	Net Cost	1,760	(22,721)
	(Gain)/Loss on Pension, ORB, or OPEB		
	Assumption Changes [Note 5A]	23,201	2,525
	Net Cost of Operations [Notes 9 and 10]	<u>\$24,961</u>	<u>(\$20,196)</u>
Provide Health Benefits	Gross Costs	\$37,735	\$41,328
	Less: Earned Revenue	46,932	34,849
	Net Cost	(9,197)	6,479
	(Gain)/Loss on Pension, ORB, or OPEB		
	Assumption Changes [Note 5B]	(7,880)	(12,664)
	Net Cost of Operations [Notes 9 and 10]	<u>(\$17,077)</u>	<u>(\$6,185)</u>
Provide Life Insurance Benefits	Gross Costs	\$4,636	\$4,078
	Less: Earned Revenue	4,343	4,442
	Net Cost	293	(364)
	(Gain)/Loss on Pension, ORB, or OPEB		
	Assumption Changes [Note 5C]	745	(874)
	Net Cost of Operations [Notes 9 and 10]	<u>\$1,038</u>	<u>(\$1,238)</u>
Provide Human Resource Services	Gross Costs	\$2,012	\$1,998
	Less: Earned Revenue	1,896	1,891
	Net Cost of Operations [Notes 9 and 10]	<u>\$116</u>	<u>\$107</u>
Total Net Cost of Operations	Gross Costs	\$157,987	\$86,278
	Less: Earned Revenue	114,935	103,978
	Net Cost	43,052	(17,700)
	(Gain)/Loss on Pension, ORB, or OPEB		
	Assumption Changes [Notes 5A, 5B, and 5C]	98,932	259
	Net Cost of Operations [Notes 9 and 10]	<u>\$141,984</u>	<u>(\$17,441)</u>

The accompanying notes are an integral part of the financial statements.

FY 2012 SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

**U.S. OFFICE OF PERSONNEL MANAGEMENT
CONSOLIDATED STATEMENTS OF CHANGES IN NET POSITION
For the Years Ended September 30, 2012 and 2011
(In Millions)**

	FY 2012			FY 2011		
	Earmarked Funds	All Other Funds	Consolidated Total	Earmarked Funds	All Other Funds	Consolidated Total
<i>CUMULATIVE RESULTS OF OPERATIONS</i>						
Beginning Balances	(\$995,474)	\$392	(\$995,082)	(\$1,054,603)	\$411	(\$1,054,192)
Budgetary Financing Sources:						
Appropriations Used	43,753	110	43,863	41,586	43	41,629
Other Financing Sources	(7)	41	34	(5)	45	40
Total Financing Sources	43,746	151	43,897	41,581	88	41,669
Net Cost of Operations	141,868	116	141,984	(17,548)	107	(17,441)
Net Change	(98,122)	35	(98,087)	59,129	(19)	59,110
Cumulative Results of Operations - Ending Balance	(\$1,093,596)	\$427	(\$1,093,169)	(\$995,474)	\$392	(\$995,082)
<i>UNEXPENDED APPROPRIATIONS</i>						
Beginning Balance	-	\$154	\$154	-	\$97	\$97
Budgetary Financing Sources:						
Appropriations Received	\$43,938	101	44,039	\$41,618	101	41,719
Appropriations Used	(43,753)	(110)	(43,863)	(41,586)	(43)	(41,629)
Other Budgetary Financing Sources	(185)	(8)	(193)	(32)	(1)	(33)
Total Budgetary Financing Sources	-	(17)	(17)	-	57	57
Total Unexpended Appropriations - Ending Balance	-	137	137	-	154	154
Net Position	(\$1,093,596)	\$564	(\$1,093,032)	(\$995,474)	\$546	(\$994,928)

The accompanying notes are an integral part of the financial statements.

FY 2012 SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

**U.S. OFFICE OF PERSONNEL MANAGEMENT
COMBINED STATEMENTS OF BUDGETARY RESOURCES
For the Years Ended September 30, 2012 and 2011
(In Millions)**

	FY 2012	FY 2011
BUDGETARY RESOURCES		
Unobligated Balance, Brought Forward, October 1	\$55,944	\$51,651
Recoveries of Prior Year Unpaid Obligations	149	70
Other Changes in Unobligated Balance	(8)	(1)
Unobligated Balance, from Prior Year Budget Authority, Net Appropriations	56,085	51,720
Spending Authority from Offsetting Collections	118,360	112,363
Total Budgetary Resources	<u>\$225,724</u>	<u>\$214,295</u>
STATUS OF BUDGETARY RESOURCES		
Obligations Incurred: [Note 12]		
Direct	\$164,103	\$156,160
Reimbursable	2,205	2,191
Total Obligations Incurred	<u>166,308</u>	<u>158,351</u>
Unobligated Balance, End of Year:		
Apportioned	282	429
Unapportioned	59,134	55,515
Total Unobligated Balance, End of Year	<u>59,416</u>	<u>55,944</u>
Total Budgetary Resources	<u>\$225,724</u>	<u>\$214,295</u>
CHANGE IN OBLIGATED BALANCE		
Unpaid Obligations:		
Unpaid Obligations, Brought Forward, October 1	\$14,098	\$13,393
Obligations Incurred	166,308	158,351
Less: Outlays, Gross	165,578	157,576
Less: Recoveries of Prior Year Unpaid Obligations	149	70
Unpaid Obligations, End of Year	<u>\$14,679</u>	<u>\$14,098</u>
Uncollected Payments:		
Uncollected Payments, Federal Sources, Brought Forward, October 1	\$3,352	\$3,698
Change in Uncollected Payments, Federal Sources	(113)	(346)
Uncollected Payments, Federal Sources, End of Year	<u>\$3,239</u>	<u>\$3,352</u>
Memorandum (Non-add) Entries:		
Obligated Balance, Start of Year	\$10,746	\$9,695
Obligated Balance, End of Year	\$11,440	\$10,746
BUDGET AUTHORITY AND OUTLAYS, NET		
Budget Authority, Gross	\$169,639	\$162,575
Less: Actual Offsetting Collections	51,393	50,558
Less: Change in Uncollected Customer Payments from Federal Sources	(113)	(346)
Budget Authority, Net	<u>\$118,359</u>	<u>\$112,363</u>
Outlays, Gross	\$165,578	\$157,576
Less: Actual Offsetting Collections	51,393	50,558
Outlays, Net	114,185	107,018
Less: Distributed Offsetting Receipts	34,730	32,928
Agency Outlays, Net	<u>\$79,455</u>	<u>\$74,090</u>

The accompanying notes are an integral part of the financial statements.

Appendix A: Acronyms and Abbreviations

ACA	Affordable Care Act
ACSI	American Customer Satisfaction Index
APG	Agency Priority Goals
CCIO	Center for Consumer Information and Insurance Oversight
CHCO	Chief Human Capital Officers
CHCOC	Chief Human Capital Officers Council
CMS	Centers for Medicare and Medicaid Services
CSRS	Civil Service Retirement System
CSS	Customer Service Specialists
DOD	Department of Defense
DOE	Department of Energy
DPC	Domestic Policy Council
EVS	Employee Viewpoint Survey
FEHB	Federal Employees Health Benefits
FEHBP	Federal Employees Health Benefits Program
FERS	Federal Employees Retirement System
FY	Fiscal Year
GEAR	Goals-Engagement-Accountability-Results
GPRA	Government Performance Results Act
HCMR	Human Capital Management Reports
HHS	Department of Health and Human Services
HR	Human Resources
HRS	Human Resources Solutions
HUD	Housing and Urban Development
IPA	Independent Public Accounting
IRTPA	Intelligence Reform and Terrorism Prevention Act
IT	Information Technology
LAS	Legal Administrative Specialists
LLP	Limited Liability Partnership
MSP	Multi-State Plan
MSPP	Multi-State Plan Program
NAIC	National Association of Insurance Commissioners
NHO	National Healthcare Operations

FY 2012 SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

ODNI	Office of the Director of National Intelligence
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPEB	Other Postemployment Benefits
OPM	Office of Personnel Management
ORB	Other Retirement Benefits
PCI	Performance Culture Index
PSRHB	Postal Service Retirement Health Benefits
SAOC	Spending Authority from Offsetting Collections
SBR	Statement of Budgetary Resources
SNC	Statement of Net Cost
SPFI	Summary of Performance and Financial Information
SSC	Shared Service Centers
USCG	United States Coast Guard
VA	Veterans Affairs



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