

America by Design // OPM

The initiative will implement America by Design (ABD), a government-wide, presidential initiative that seeks to overhaul federal software interfaces consistently with 2025 standards of useability, design, and site speed. See Improving Our Nation Through Better Design, E.O. 14338 (Aug. 21, 2025). Under the ABD umbrella, OPM expects to modernize and revolutionize at least four major software portals at OPM: retirement processing; health benefits processing; USAJOBS; and Tech Task Force hiring. Additional projects consistent with IT WCF requirements may be added over time. The initiative plans to use IT Working Capital Fund (IT WCF) money principally to reimburse nonprofits, universities, and other eligible entities for detailing high-quality designers, engineers, and other product personnel to OPM under the Intergovernmental Personnel Act (IPA), 5 U.S.C. 3371 et seq., to work on these and other projects.

Consistent with the Modernizing Government Technology Act, Pub. L. No. 115-91 (2018), the charter for the IT WCF lays out various purposes that use of the funds may serve. Several of those purposes are satisfied here.

The charter authorizes funding to “[i]mprove, retire, or replace existing information technology systems in OPM to enhance cybersecurity and to improve efficiency and effectiveness across the life of a given workload.” Each of the four projects listed above (the overhaul of retirement processing; health benefits processing; Tech Task Force hiring; and USAJOBS) is expected to serve this purpose by upgrading and improving a major software interface or system to make it more efficient, useable, and secure.

The charter further authorizes funding to “[t]ransition legacy information technology systems at OPM to commercial cloud computing and other innovative commercial platforms and technologies.” OPM anticipates that each of the four major projects will be cloud-based.

The charter authorizes funding to “[a]ssist and support OPM efforts to provide adequate, risk-based, and cost-effective information technology capabilities that address evolving threats to information security.” The initiative is expected to fully modernize four major systems at OPM, enhancing their security and resilience against threats. The projects will incorporate modern, industry-standard infrastructure systems that are both secure and efficient.

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The charter provides that funding may be used to “[i]ncrease funds for any program, project, or activity that has not been denied or restricted by Congress.” None of the four proposed projects has been restricted by Congress.

Lastly, the charter authorizes funding for projects that “[a]llign with OPM’s enterprise architecture and technology roadmap.” OPM’s Information Technology Strategic Plan for FY 2023-2026 prioritizes three of the four projects described above (the strategic plan does not mention the Technology Task Force, which was not yet in existence at the time the plan was drafted). Among other things, the strategic plan emphasizes “retirement services modernization,” including “moving RS away from its current paper-based system and toward a modern digital retirement process” (p. 20); “healthcare and insurance modernization,” including “implementing new portals and decision support tools” (p. 21); and “USAJOBS” “optimization,” including “reorganiz[ing], redesign[ing], and standard[izing]” “[c]ontent on” the site (p. 22).

Budget

The initiative is requesting \$4.2M from the IT Working Capital Fund over the next 2 years.

The initial and out-year costs will be funded through the IT WCF reimbursing nonprofits, universities, and other eligible organizations for the work of detailees assigned to modernize OPM’s aging IT systems. The initiative will budget \$2M per year from OPM’s IT WCF to fund its ongoing efforts to modernize, improve, and retire existing IT systems. Funds will be distributed principally in the form of reimbursements under the IPA on a rolling basis as detailees perform work on the specified projects. See 5 U.S.C. 3374(c)(3) (authorizing reimbursements for IPA detailees).

The initiative is projecting to bring on approximately 20 designers, engineers, and other product personnel via the IPA to lead the modernization efforts across Retirement, Healthcare, USAJOBS and the Tech Task Force within the first year. The nonprofits and universities supplying these personnel are expected to be reimbursed for their services at the GS-15 equivalent level of \$195,000, with some potential variation based on experience levels. Security clearances will be paid by OPM, unless specified otherwise in particular detail agreements. Security clearances will cost around \$200K in total, or roughly \$10K per person.

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If all IPA personnel worked full-time at OPM, the first-year projected costs would be approximately \$3.9M.

However, this entire amount will not be fully paid for by the IT WCF. Some IPA personnel will be on separate IPA details at other agencies and work intermittently at OPM. OPM will only reimburse IPA details for the time spent working on OPM projects.

Although funding is expected to be principally devoted to IPA reimbursements, there may be some additional, ad hoc expenditures to advance the ABD initiative, such as for outside consulting or research assistance in conjunction with the four projects discussed above.

Projected cost savings as a result of undertaking the modernization initiative.

The initiative has targeted four areas within OPM, but is not limited to, where it has identified cost savings because of undertaking the modernization initiative. The four areas are detailed below:

Retirement Services: processes ~200,000 applications annually through 20+ manual steps. Phase 1 of the Online Retirement Application (ORA) delivered \$13M in savings via agile engineering—completing work budgeted at \$15M (\$6M ORA modernization + \$9M mainframe integration) for under \$2M and 2 years early.

Phase 2 ORA (full digital processing) is quoted at \$3M; this initiative targets \$1.6M in DME savings.

Contract savings alone (\$13M + \$1.6M) exceed the initiative's \$4M two-year cost. Additional value: freed OPM engineers shift from deployment to O&M focus.

Funding Structure: IT WCF covers DME; outyear O&M draws from existing OCIO budget.

USAJOBS: Currently, OCIO has 2-3 FTEs dedicated to maintaining and designing USAJOBS pages. This initiative will deploy a team to redesign and assist OCIO in finding additional ways to reduce the time and resources it currently needs in maintaining USAJOBS pages. In doing so, this will save around \$600K in O&M costs for OCIO.

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Healthcare Benefits: The initiative will work in collaboration with OCIO to move employee health benefits to the Core HCM IT infrastructure which could yield over \$12M in annual O&M savings within OPM.

U.S. Tech Force: OCIO is projecting it will take approximately 1,000 hours from their existing staff to stand up the network and back-end support for the tech task force landing page and application pool. The initiative aims to reduce time spent on building out the network capability for the OCIO team and will develop the landing page utilizing existing infrastructure. This will save approximately \$300K-\$400K in additional contract support OCIO would have needed.

Strong ROI: This \$4M initiative targets >\$15M in total savings across key projects—Retirement Services (ORA Phase 2: \$1.4M vs. \$3M prior quotes), Health Benefits (\$12M+ annual O&M via Core HCM migration), USAJOBS (\$600K O&M), and Tech Task Force (\$300K-\$400K in avoided contracts)—delivering >7x ROI, full cost recovery, 2-year acceleration on ORA, freed OPM FTEs, and outyear O&M absorbed by existing OCIO budgets. Note that these figures are estimates and actual savings could deviate from the estimates based on feedback from the incremental development process, agency needs, or other reasons.

This initiative delivers IT modernization projects at a fraction of budgeted DME and O&M costs by deploying specialized engineering and design teams within OPM. These teams accelerate project execution, freeing existing OPM FTEs from modernization duties and reducing outyear O&M expenses by deploying more efficient software systems.

For example, OPM piloted a technology modernization project with the Retirement Services program office in which it brought the ORA online without needing any additional resources for O&M. Now that ORA has been largely modernized, the OCIO team will fold any out-year O&M costs into its existing ORA budget which is more than enough to cover all O&M costs.

This will be true for the additional Retirement Processing, Healthcare Benefits Processing and USAJOBS modernization efforts—given savings associated with the more efficient, modernized systems, planned budgets are expected to be more than sufficient to cover O&M costs for each system.

Key milestones

The ABD initiative at OPM intends to focus on four major projects at the outset. The parameters of the initiative may change over time based on evolving agency needs and feedback from incremental product releases.

1.1. **Retirement:** This project involves transitioning OPM from a paper-based retirement system to a fully online one. The OPM Online Retirement Application (ORA) is a flagship modernization initiative that requires development of a full suite of online tools to process federal employee retirements. ABD supports ORA and the move to a Digital File System (DFS). Key deliverables include custom dashboards to track retirement status and process efficiency. The project seeks to make “instant retirement” available to a broad range of use cases, including employees with disabilities, prior military service, part-time pay schedules, and others.

1.1.1. As discussed above, this project is already underway using other funds, and is expected to be finished in 2026.

1.2. **Healthcare Benefits:** This project involves a large-scale overhaul of OPM healthcare benefits software, which serves all federal employees. Through the development and implementation of Central Enrollments and Decision Support Tool, the project will render OPM’s benefits interface more useable to federal employees, while simultaneously enhancing the efficiency of benefits processing. The modernized system’s speed and reliability are expected to match private-sector standards. The initiative will upgrade the way that employees select and manage benefits. Among other things, the redesigned portal will include a plan-finder that enables employees to engage in easy, side-by-side comparisons of plans. The new interface will work across both desktop and mobile.

1.2.1. This project is expected to begin in 2026 and extend into 2027.

1.3. **USAJOBS:** This project involves a total overhaul of USAJOBS, the OPM website that hosts job openings for federal agencies. The redesigned website will make it easier to find and post jobs, while also making the merit requirements clearer for posted positions. Among other key deliverables, the new system will allow

agencies to post cover pages for openings and provide enhanced search functionality for applicants.

1.3.1. The project is expected to begin in 2026 and finish in 2027.

1.4. **Tech Task Force:** Tech Task Force, which will be established by a forthcoming memorandum, is designed to recruit early-career technologists and mid-career managers to infuse the federal government with technical knowledge and private-sector efficiency. As relevant here, the project involves building a recruiting portal to hire participants into the task force. The project requires construction of the portal from scratch. The portal will act as a functional cover page for USAJOBS, which will be linked from the portal.

1.4.1. This project is already underway using other funds and is expected to be finished later this year.

IT WCF money is critical to achieving these milestones because it will serve as the source of reimbursements under the IPA of designers, engineers, and other product personnel working on each of these projects. See 5 U.S.C. 3374(c)(3).

On an ad hoc basis, IT WCF funds may also be used to cover related costs, such as for outside consultants or research assistance, as appropriate to implement the ABD agenda and achieve the above milestones.

In addition to the four major projects described above, product personnel funded by the IT WCF may also contribute to other software modernization projects as needed, including consulting with other employees working on such projects.

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America by Design Spend Plan with Object Class Codes

This spend plan outlines estimated obligations for the America by Design initiative, categorized by object class codes in accordance with OMB Circular A-11, Section 83.

<u>Object Class Code</u>	<u>Description</u>	<u>Estimated Amount (FY26)</u>	<u>Estimated Amount (FY27)</u>
<u>11.1</u>	<u>Full-time permanent (OPM FTEs)</u>		
<u>11.3</u>	<u>Other than full-time permanent (IPA detailees)</u>		
11.8	Special personal services payments	\$2,000,000	\$2,000,000
<u>12.1</u>	<u>Civilian personnel benefits</u>		
<u>25.1</u>	<u>Advisory and assistance services (consultants)</u>		
<u>25.2</u>	<u>Other services from non-federal sources (IPA reimbursements)</u>		
<u>25.3</u>	<u>Other goods/services from federal sources (IAAs)</u>	\$200,000	\$0
<u>26.0</u>	<u>Supplies and materials (software, tools)</u>		
<u>31.0</u>	<u>Equipment (laptops, secure devices)</u>		
	<u>Total</u>	\$2,200,000	\$2,000,000