



# RAILROAD RETIREMENT BOARD STRATEGIC PLAN 2000-2005

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## I. INTRODUCTION

The Railroad Retirement Board (RRB) is proud to present this strategic plan for the years 2000 through 2005, a period of significant challenges and opportunities for the agency. This plan communicates our intentions for managing these challenges and exploiting these opportunities as we begin the next millennium. The RRB has a long and distinguished tradition of excellence in serving our customers, and we fully expect that tradition to continue in the coming years. (See Figure 1 for the agency's mission statement. Figure 2 provides the strategic goals and objectives to fulfill that mission.)

In performing its mission, the Railroad Retirement Board interacts with a number of other Federal agencies. Our primary Federal partner agencies are the Social Security Administration, the Health Care Financing Administration, and the Department of the Treasury, specifically the Internal Revenue Service and the Financial Management Service. We have numerous initiatives and ongoing programs involving these and other agencies. This plan describes the most important of these in conjunction with achievement of specific strategic goals and objectives.



# **RAILROAD RETIREMENT BOARD MISSION STATEMENT**

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The RRB's mission is to administer retirement/survivor and unemployment/sickness insurance benefit programs for railroad workers and their families under the Railroad Retirement Act and the Railroad Unemployment Insurance Act. These programs provide income protection during old age and in the event of disability, death or temporary unemployment and sickness. The RRB also administers aspects of the Medicare program and has administrative responsibilities under the Social Security Act and the Internal Revenue Code.

In carrying out its mission, the RRB will pay benefits to the right people, in the right amounts, in a timely manner, and safeguard our customers' trust funds. The RRB will treat every person who comes into contact with the agency with courtesy and concern, and respond to all inquiries promptly, accurately and clearly.

# **Railroad Retirement Board**

## ***STRATEGIC GOALS AND OBJECTIVES***

### **2000-2005**

#### ***STRATEGIC GOAL I: Provide Excellent Customer Service.***

*STRATEGIC OBJECTIVE I-A:* Pay benefits accurately.

*STRATEGIC OBJECTIVE I-B:* Pay benefits timely.

*STRATEGIC OBJECTIVE I-C:* Provide relevant, timely and accurate information which is easy to understand.

*STRATEGIC OBJECTIVE I-D:* Provide a range of choices in service delivery methods.

*STRATEGIC OBJECTIVE I-E:* Ensure an efficient and effective reporting system for railroad employers.

*STRATEGIC OBJECTIVE I-F:* Deliver service at the point-of-contact (“one and done”).

#### ***STRATEGIC GOAL II: Safeguard Our Customers’ Trust Funds Through Prudent Stewardship.***

*STRATEGIC OBJECTIVE II-A:* Ensure the integrity of benefit programs through comprehensive and integrated monitoring and prevention programs.

*STRATEGIC OBJECTIVE II-B:* Ensure efficient operations through effective management control and quality assurance programs.

*STRATEGIC OBJECTIVE II-C:* Ensure that trust fund assets are projected, collected, recorded, and invested appropriately through an effective and efficient trust fund management program.

*STRATEGIC OBJECTIVE II-D:* Align our resources using a performance approach based on contribution to mission.

*STRATEGIC OBJECTIVE II-E:* Use outside sources and partnerships, when appropriate, to accomplish our mission.

*STRATEGIC OBJECTIVE II-F:* Ensure that the RRB consistently pays the lowest price for products and services commensurate with quality, service, delivery and reliability.

*STRATEGIC OBJECTIVE II-G:* Use, build and maintain a professional, productive, innovative and diverse workforce.

***STRATEGIC GOAL III: Use Technology and Automation to Foster Fundamental Changes That Improve the Way We Do Business.***

*STRATEGIC OBJECTIVE III-A:* Develop a sound and integrated information technology architecture that will foster our long-term efforts to improve mission performance while operating with fewer resources.

*STRATEGIC OBJECTIVE III-B:* Design and implement information technology initiatives that fundamentally improve our efficiency and effectiveness in achieving the agency's mission.

*STRATEGIC OBJECTIVE III-C:* Ensure effective and efficient management of information technology resources.

## II. PLANNING FRAMEWORK

This strategic plan is the cornerstone of a comprehensive set of interlocking plans that cover all major aspects of agency operations. In this plan, we have defined the strategic issues facing the agency and established broad goals and objectives to be achieved during the planning period. As a result, this plan serves as the foundation and guide for the specific functional plans required to manage the agency. Figure 3 illustrates the interrelationship among these functional plans which include:

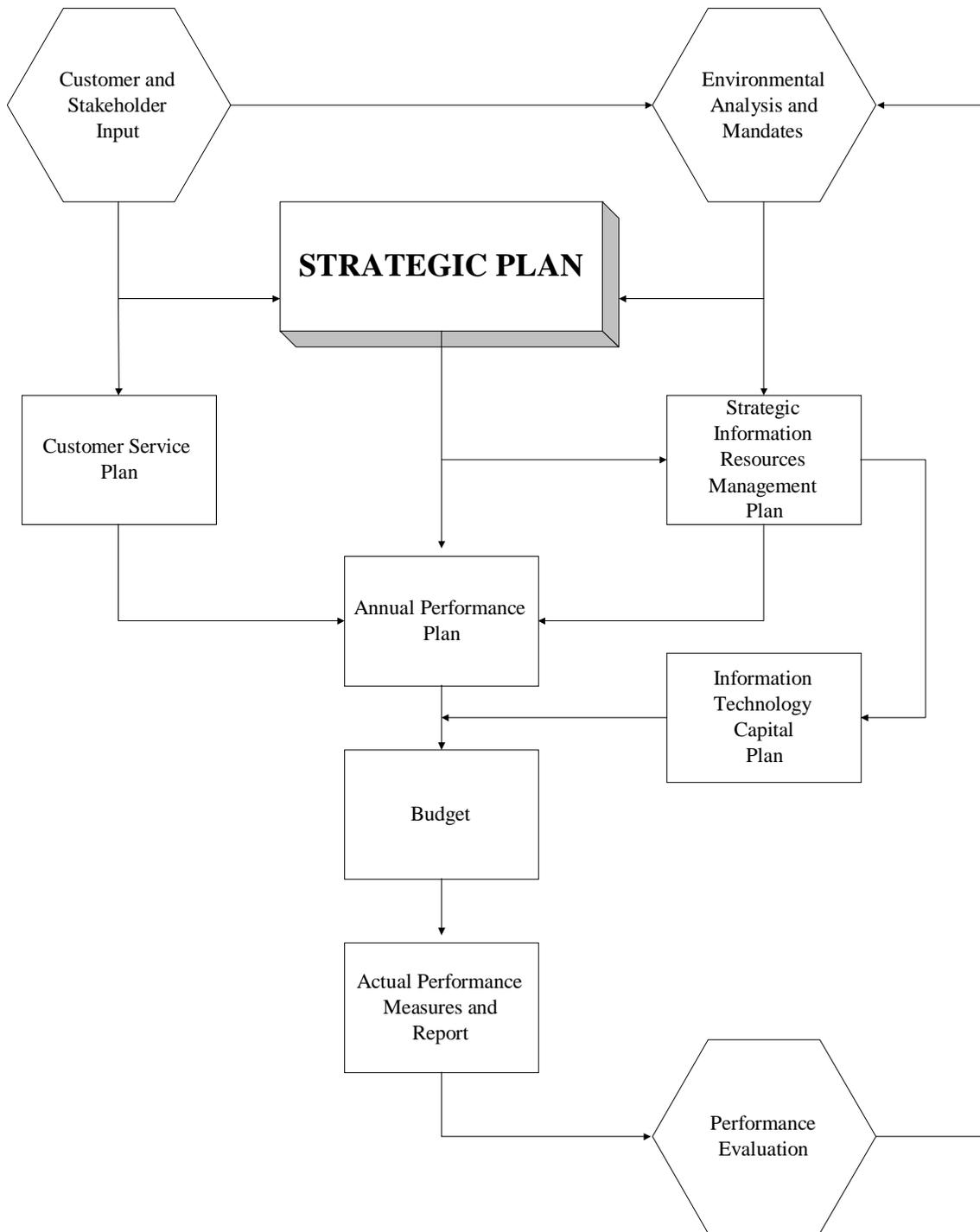
- The **Customer Service Plan**, which provides our pledge of service to our customers, states specifically the level of service the customers can expect from us. It is posted in each office of the RRB in order to communicate our standards of openness, accessibility and accountability to our public. Each year we provide a report card on how well we are meeting the standards we set for ourselves, and the level of service we provide our customers. The plan itself is reviewed annually, and updated periodically, as we gain more experience with it and as we compare our service with the best in business. This plan is included as Exhibit 1.
- The **Strategic Information Resources Management Plan** describes the agency's information resources mission and vision to support customer service through information technology. The purpose of this plan is to communicate clearly where the RRB is today in terms of information resources management, where the RRB wants to go in the next several years, and how the RRB intends to move from the present to the future. It mirrors the direction of the agency's strategic plan. The plan serves as a tool to make informed management decisions and to assist in capital planning, investments, and budgeting.
- The **Information Technology Capital Plan**, which is part of the Strategic Information Resources Management Plan, specifically describes the capital resources needed to support the initiatives described in the Strategic Information Resources Management Plan. It provides a schedule of when those resources will be needed. This plan is updated annually and is used to prepare the agency's budget submission.
- The **Annual Performance Plan** provides detailed performance goals and performance indicators to guide agency managers as they implement this strategic plan. It also details the human and capital resources required to achieve the performance targets. We update the Annual Performance Plan each year and include it as part of the agency's budget submission and justification. Each of the agency's strategic goals and objectives relates directly to a performance goal in the Annual Performance Plan. Exhibit 2 provides a matrix

showing each of the agency's performance goals, the performance indicators associated with each of the goals, and the measure that will be used to determine how well we performed.

After each fiscal year, we will provide a report on how well we achieved the performance goals set out in the Annual Performance Plan.

Figure 3

# RRB PLANNING PROCESS



### **III. PROFILE OF THE RAILROAD RETIREMENT BOARD**

#### **A. WHO ARE WE? WHAT ARE WE? WHAT MAKES US UNIQUE?**

The Railroad Retirement Board (RRB) is an independent agency in the executive branch of the Federal Government administering comprehensive retirement, survivor, disability, unemployment and sickness insurance benefit programs for the nation's railroad workers and their families under the Railroad Retirement and Railroad Unemployment Insurance Acts. In connection with the retirement and survivor programs, the RRB also has administrative responsibilities under the Social Security Act for certain benefit payments and for railroad retirees' Medicare coverage. The RRB also has administrative responsibilities for Federal income tax withholding and reporting under the Internal Revenue Code.

During fiscal year 1999, the RRB paid some \$8.2 billion, net of recoveries, in retirement and survivor benefits, and \$69.2 million, net of recoveries, in unemployment and sickness insurance benefits. During fiscal year 1999, some 748,000 beneficiaries received retirement and survivor benefits, some 13,000 railroad workers received unemployment insurance benefits and almost 22,000 received sickness insurance benefits. Agency administrative expenses have historically averaged approximately 1 percent of benefit payments.

***Origins.*** -- The RRB was created by New Deal legislation enacted in the mid-1930's to consolidate and federalize the nation's private railroad pension plans, which were then far more developed than pension plans in other industries but had been adversely affected by the Great Depression. Rail unemployment insurance legislation followed at the end of the decade because of administrative problems that interstate rail employment caused the new State unemployment insurance plans.

***Organization and Staff.*** -- The RRB is headed by three Board Members appointed by the President of the United States, with the advice and consent of the Senate. One member is appointed upon the recommendation of railroad employers, one is appointed upon the recommendation of railroad labor organizations and the third, who is the Chair, is appointed to represent the public interest. The President also appoints an Inspector General of the RRB. Reporting to the Board are its General Counsel, Director of Administration, Director of Programs, Chief Actuary, Chief Financial Officer and Chief Information Officer. The General Counsel also serves as the agency's Senior Executive Officer. The RRB currently employs about 1,200 full-time equivalent employees who work in its Chicago headquarters and in over 50 field offices throughout the country.

***Financing.*** -- Payroll taxes paid by railroad employers and employees are the primary source of funding for the railroad retirement/survivor benefit programs. Other sources of income include: the financial interchange with the social security trust funds; revenues from Federal income taxes on railroad retirement benefits; earnings on investments; and

appropriations from general Treasury revenues provided after 1974 as part of a phase-out of certain vested dual benefits. At the end of fiscal year 1999, the net position of all of the Railroad Retirement trust funds was \$18.1 billion, with financing sources for the year exceeding net cost by approximately \$1.7 billion.

Each year the RRB reports to Congress on the financial condition of the railroad retirement system and railroad unemployment insurance system. In 1999, the RRB reported that both systems are sound, and barring a sudden, unanticipated large decrease in railroad employment, no cash-flow problems are anticipated.

No financing changes were recommended by the RRB for the railroad retirement or unemployment insurance systems in the 1999 reports.

## **B. CURRENT ENVIRONMENT**

The RRB's current environment is characterized by a continuing commitment to serve the railroad public with a smaller, but more enabled, workforce. Our goal is to make use of current and new technology to maximize our effectiveness. We are developing an interconnected organization that provides information and services in a seamless manner through electronic pathways that support intra-agency, as well as inter-governmental, operations. The completion of a wide area network allows information to be shared more easily between headquarters and the field, between the RRB, railroads and other Federal agencies, and between the RRB and our beneficiaries.

***Processing and Service Improvements.*** -- The RRB has numerous automated processing systems and databases. These enable field offices and claims examiners to: reduce the amount of manual effort required in the processing of claims; improve the accuracy of the calculations performed and the timeliness of claims handling; provide fast, reliable beneficiary data when and where needed to complete a transaction; control and track work; and move toward paperless processing. Armed with these tools, a smaller, but better equipped, workforce of field service staff and claims examiners is now able to stay current with the demands of the ongoing workloads.

The Internet has already become an important communications channel to obtain information on government services. The RRB has a comprehensive website, providing our customers with information about the agency and the benefit programs. The role of the Internet will become more prominent as we enable our customers to use it to conduct electronic business transactions with us in the future.

We also developed an Intranet (RRBnet) for agency employees, which provides common access to many of the agency's documents, newsletters, forms and other important information. We are expanding the RRBnet to improve communications in many areas and to eliminate the distribution of paper reports, listings and assignments.

As an outcome of our automation successes to date, our agency has been able to provide better information and move some decision-making to employees who work directly with the customers. Even before Vice President Gore's National Performance Review, with its emphasis on decentralization and movement of decision-making to front-line employees, the RRB had embarked on point-of-contact service in the field. In short, we began working early on the goals of a government that is smaller, works better and is customer-focused.

***High Customer Satisfaction.*** -- This improved service and claims processing environment has been reflected in positive feedback from our customers -- the railroad retirement annuitants and unemployment and sickness insurance claimants. We know our customers are satisfied with the services they receive through the feedback we obtain through Conversations with America (meetings with the public) and through customer satisfaction comment cards available in all field offices. Those customers who reviewed our initial strategic plan also indicated a high level of satisfaction concerning the RRB's overall performance. We also know we are performing well based on the strong support consistently voiced by the railroad public.

Since fiscal year 1995, the RRB has had a Customer Service Plan (See Exhibit 1) that sets standards for our performance in key service areas. We track our performance and publicize the results annually. This is useful both to our customers when setting their expectations for service, and to RRB staff in determining areas requiring improvement. We are now in the process of revising this plan based on current performance levels and customer expectations identified through our feedback process.

***Budget.*** -- Both the Administration and the Congress are committed to maintaining a balanced national budget while providing a more responsive Federal Government that works better and costs less. During the 7- year period from fiscal year 1993 through 1999, we reduced our full-time equivalent staff by more than 30 percent through a combination of fewer office locations, buyout programs, reductions-in-force, and attrition. As we have in the past, we intend to compensate for any staff losses through improved operations and enhanced information technology.

***Service Delivery Options.*** -- The RRB currently has 53 field offices which are commonly preferred as the initial point of contact for the RRB's customers in requesting benefits or information. Field offices provide customer service in a variety of ways, including personal office visits, telephone calls, and personal visits at itinerant (remote) service locations. New communications and information technology were recently installed in all 53 offices, allowing them faster, more reliable access to critical systems and data needed to provide complete service to the customer at the initial contact.

A growing number of customers also use the RRB's interactive voice response telephone system, accessed through a toll-free number, to get status information on their claims or

benefits. This system provides information on retirement and survivor claims, as well as on unemployment and sickness insurance claims.

The Internet is also an important service delivery option for selected informational services at this time. Additional, more interactive personal services will be added in the future as we continue our automation and technology initiatives. We are confident that the RRB can continue to provide quality service to its beneficiaries through improved service delivery options.

***Management Improvements.*** -- In fiscal year 1999, the senior management structure was reorganized to establish a direct reporting relationship between six senior executives and the Board Members. In addition, five of these executives comprise an expanded Executive Committee, which oversees the day-to-day operations of the agency. The revised structure places added emphasis on information technology and actuarial services by having the Chief Information Officer and Chief Actuary report directly to the Board Members. In fiscal year 2000, a new position was created to lead the Executive Committee entitled Senior Executive Officer ("SEO"). The General Counsel was selected to serve as the first SEO.

***Systems and Technology.*** -- The RRB's current information systems include both old and new. The majority of the agency's mission-critical application systems, which are usually referred to as "legacy" systems, were developed during the past 10 to 20 years, and operate primarily on a mainframe computer platform. In more recent years, we have developed newer systems for the microcomputer environment, and have updated a number of our mainframe legacy systems. We successfully upgraded all of our systems to ensure Year 2000 compliance, and are now refocusing our attention on developing new systems that will be available in the Internet environment. In doing so, we are continually seeking ways to use technology to strike a practical balance between older legacy systems, which still provide most of our mission-critical operations, and newer systems that are more customer-oriented and responsive.

In addition, significant improvements in information technology were realized through the implementation of a major new network communications platform to connect RRB field offices to the headquarters facility. This new technology provides fast, reliable and secure electronic exchanges of information. Virtually all RRB employees have microcomputers at their desktops and have access to the agency's Intranet, which is emerging as a common platform for internal documents and reference material. All RRB employees also share a common electronic mail system, which facilitates rapid communications. These technologies are improving communication and significantly reducing the amount of paperwork to be copied and distributed.

The RRB relies on automated systems and technology for processing at all levels of its operations, including administration of the benefit programs, communications, procurement, and finance. In the future, we will continue to pursue further automation improvements to support more timely and flexible service to the public, and to facilitate cost-saving operational efficiencies.

***Our Challenge.*** -- How we can continue to deliver the level of service to which our customers have become accustomed, while continuing to reduce our administrative resources, is one of our major strategic challenges. Beyond that, our aim is to actually improve the level of service received by our customers by offering them more flexible service delivery alternatives, and faster, more direct access to the information they need. To do this, we are facing an immensely challenging future, filled with opportunities to seek out creative and innovative solutions.

### **C. STAKEHOLDERS**

Our primary stakeholders are the employees and employers of the rail industry. They include, for example, train and engine service employees, maintenance of way employees, dispatchers, signalmen, computer specialists, sales personnel, lawyers and accountants. They include members of railway labor organizations as well as non-union employees, veteran employees and newly hired employees. They include the railroad employees who have retired on the basis of age and their spouses and dependents, as well as younger beneficiaries who have retired on the basis of disability, and employees who are not working because of layoffs, injuries or illness.

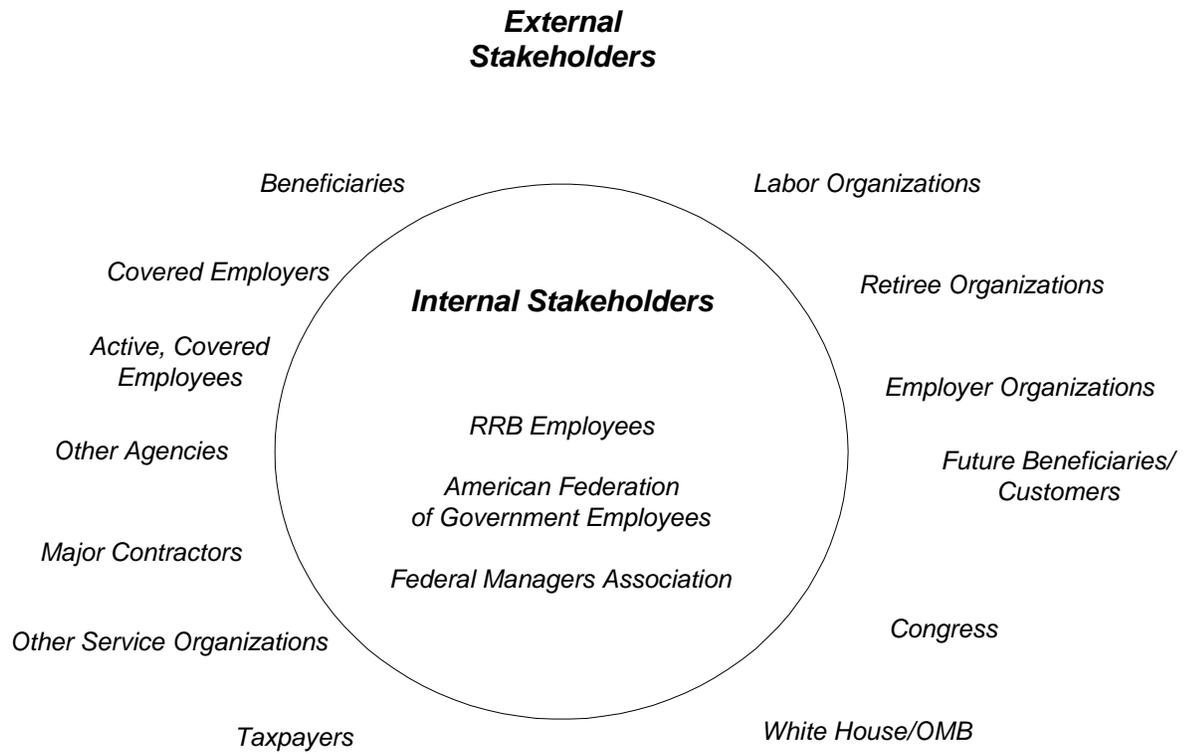
Employers include the nation's Class I freight railroads as well as over 500 other employers, including short line and regional railroads, Amtrak and certain commuter roads, rail labor unions, and a number of associations and entities covered under the Railroad Retirement Act.

Because we are a Federal agency, our stakeholders also include the White House, Members of Congress, and the Office of Management and Budget. Other Federal agencies also have

a stake in our success, in particular the Social Security Administration with whom we closely coordinate many programs. Last, but not least, are the RRB's own employees and their representatives, whose talent and dedication are crucial to the success of this strategic plan.

Figure 4 provides a graphic illustration of our internal and external stakeholders.

**Figure 4**  
**RRB Stakeholders**



#### **D. MANDATES**

Our primary mandate is very straightforward. It is to administer retirement, survivor, disability, unemployment and sickness insurance programs for railroad workers and their families as mandated by the Railroad Retirement Act and Railroad Unemployment Insurance Act. We also make certain payments under provisions of the Social Security Act and assist in providing Medicare coverage for our beneficiaries. In addition, we have administrative responsibilities under the Internal Revenue Code to withhold and report taxes in accordance with a variety of Internal Revenue Service requirements.

As an agency in the executive branch of the Federal Government, we must comply with Federal requirements. They include those mandated by the budget and appropriations process and other laws and regulations governing fiscal activities, the collection of government debts, procurement, the stewardship of government property, civil service employment, equal employment opportunity, privacy, and security. As a member of the Federal community, we also participate in various efforts such as the Combined Federal Campaigns, Savings Bond Campaigns, blood drives and other local community service volunteer programs, and various events which recognize and embrace the cultural diversity of the Federal workforce.

Also of importance are the expectations of our customers and constituents. These can be described as informal mandates. Foremost among these are our customers' expectations that our level of service will not diminish even though our resources might.

#### **E. STRENGTHS AND WEAKNESSES**

Our major strength is that we have financially strong railroad retirement and unemployment and sickness insurance systems. This was made possible by a number of legislative packages agreed to by railroad labor and management in the 1980's. These systems are widely supported by our primary constituents, railroad employers and their employees. However, the financial stability of these systems under current law still depends on the future levels of railroad employment. Any sudden, unanticipated and significant drop in the level of employment could change this picture and require a greater financial commitment by railroad employers and employees.

Our second major strength is our history of providing a high level of service to our customers and constituents. Customer surveys have consistently shown high customer satisfaction with the accuracy and timeliness of benefit payments and delivery of information.

Our third major strength is our dedicated and talented workforce. Our employees have a strong sense of our mission and core values. Over the years, they have been remarkably flexible in reacting to legislative changes that have made RRB programs extremely complex to administer. However, since most of our budget reflects salaries and benefits,

budget reductions often translate into staff reductions. This requires us to continually seek ways to manage our workloads with fewer employees.

Because of the complexity of the programs we administer, automation has been a significant challenge and has required a major commitment of resources. However, our automation efforts have allowed us to provide improved service while sustaining significant staff reductions.

Our size is both an advantage and disadvantage. Because we are a small agency, our employees have the advantage of being able to readily communicate with one another in every office and division. On the other hand, we are so small that it is continually challenging to retain staff expertise in specialized areas, such as technology.

We have also aggressively reviewed the management controls over our systems. Since the passage of the Federal Managers' Financial Integrity Act in 1982, the Railroad Retirement Board has identified a number of material weaknesses, all of which have been corrected.

The report of an independent audit of the fiscal 1993 financial statements stated that the RRB's internal control environment was focused on control objectives and techniques designed to meet the organizational responsibilities of each of the individual bureaus, rather than designed to meet the overall objectives of the RRB. In a February 18, 2000, report to the Board Members on internal controls, the Inspector General continued to conclude that the RRB's overall control environment is a material weakness.

In recent years, numerous actions have been taken to enhance the RRB's overall control environment by focusing the agency's efforts toward achieving primary strategic goals. After careful consideration, we concluded that sufficient corrective action has been taken and the overall control environment is no longer a material weakness.

## F. CORE VALUES

Our core values relate to three areas: how we treat our customers, how we treat our employees, and how we do business. These are summarized in the agency's policy statement on quality which is included with many agency publications. (See Figure 5.)

***How we treat our customers.*** -- We are customer-focused. In serving our customers, we strive to apply the law, regulations and agency procedures without favoritism or discrimination. We strive to treat all our customers with courtesy, respect and concern. We place the utmost importance on providing accurate payments and quality services on time to beneficiaries and claimants, and improving the wage and tax reporting process for employers, while respecting the privacy that they deserve.

***How we treat our employees.*** -- We strive to treat our employees the same way we treat our customers: with respect and sensitivity for their needs and the needs of their families. We try to create an environment in which the employee feels that he or she is part of our success and where he or she has a voice in how work is accomplished. We encourage teamwork and cooperation between units, offices and bureaus.

***How we do business.*** -- We make every effort to comply with the laws under which we operate, but also to apply them with compassion. We continually strive to improve the accuracy and timeliness of benefit payments and streamline the employers' reporting process. We strive to manage our operations as efficiently and economically as possible within a secure environment.



## RRB POLICY STATEMENT ON QUALITY

In carrying out our mission, the Railroad Retirement Board will pay benefits to the right people, in the right amounts, in a timely manner, treat every person who comes into contact with the agency with courtesy and concern, and respond to all inquiries promptly, accurately, and clearly. The Railroad Retirement Board will maintain a work environment characterized by teamwork, respect, and a commitment to doing the job right the first time.

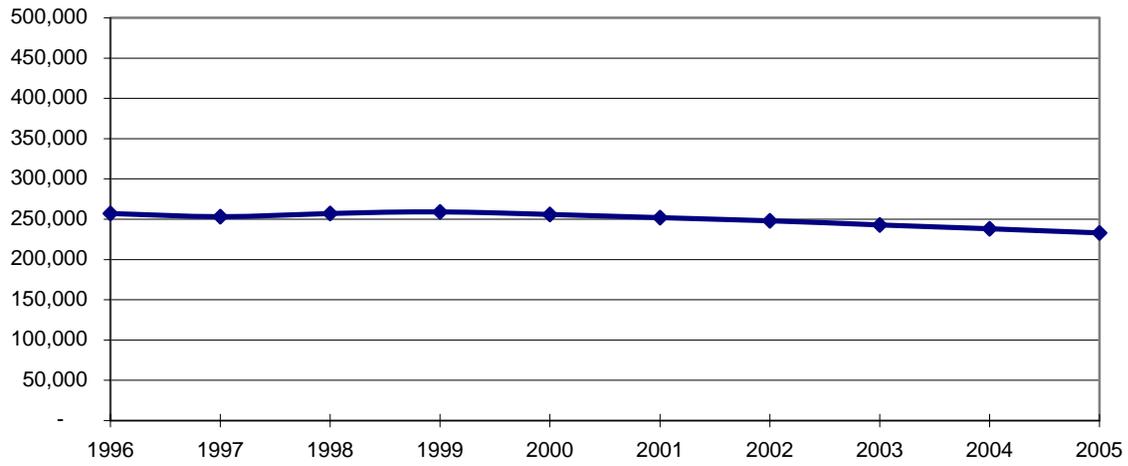
## **G. PLANNING ASSUMPTIONS**

An organization cannot plan for all contingencies, but must base its vision within the framework of given assumptions. The following assumptions were used in formulating this strategic plan.

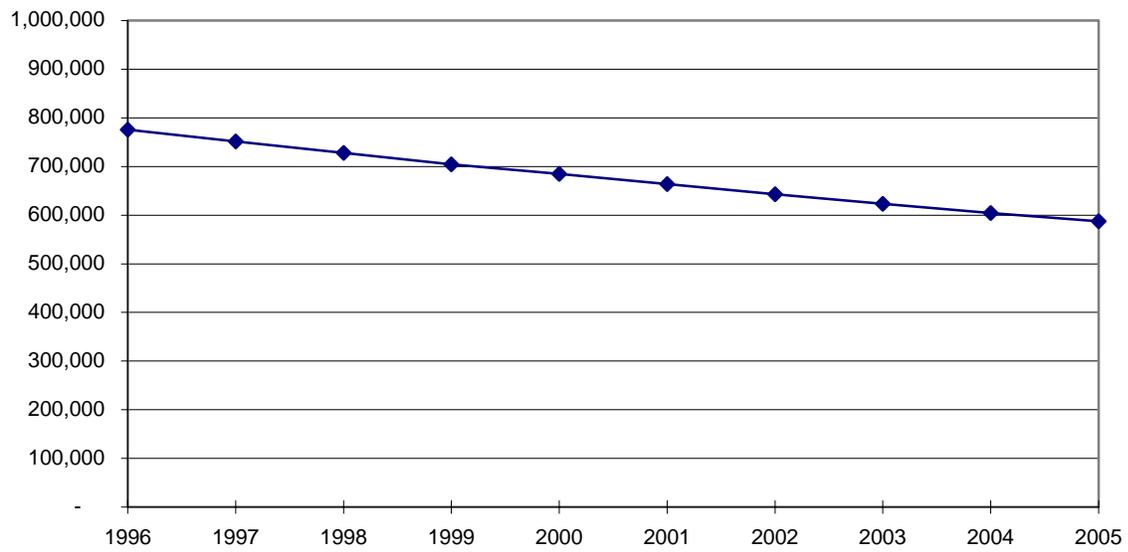
1. The RRB will continue as an independent agency in the executive branch of the Federal Government.
2. The mission of the RRB will not change during this planning period.
3. The benefit programs will not experience any funding crises during this period.
4. The public will expect continued excellent service.
5. Technological improvements will be necessary for the RRB to meet customer expectations and to operate within its budget.
6. Over the long term, claims processing workloads will decline as the railroad population declines. Figure 6 presents graphically the demographic forecasts for the next 5 years. (Note that there are another 81,253 people who are vested in the railroad retirement program but are not currently employed by railroads and have not retired. They will require services from our agency in the future.)
7. Maintenance workloads will decline, but reductions will be partly offset by increased initiatives in quality assurance and program integrity.
8. The primary service delivery will be through a structure of field offices that will remain relatively stable.
9. Legislative amendments will continue to be made, and may affect both processing and maintenance workloads.
10. Resources will decline during the planning period.
11. A large number of experienced employees will retire during the planning period, resulting in a significant loss of business expertise.

Figure 6

**Average Railroad Employment  
Calendar Years 1996 - 2005**



**Railroad Retirement Beneficiaries  
Fiscal Years 1996 - 2005**



## **IV. OUR VISION FOR THE FUTURE**

The RRB's vision is to be the best agency in the Federal Government. We will serve as a model for our ability to provide full service at the point-of-contact when, where, and how our customers want it.

We will treat our customers with dignity, respect, and fairness, and treat our employees as we want our customers treated, allowing our employees to fully utilize their talents in achieving our common goals.

We will keep our systems flexible and our organizations responsive to change using permeable structures that allow easy alignment of resources with organizational goals.

We will leverage technology and other innovations to assist us in providing quality service and fulfilling our mission within available budgetary and staffing levels.

## **V. STRATEGIC ISSUES**

In addition to continuing to fulfill our mandates, there are several strategic issues we will face in the new century. These, along with our continuing service goals, will serve as the basis for formulating our annual goals and budgets.

The first of these strategic issues is how do we reasonably satisfy our customers' expectations for quality service in terms of service delivery options and levels and manner of performance? With the continuing emphasis on efficiency in government by reducing administrative expenses, continuing to meet the high levels of performance to which our customers are accustomed will be a challenge. Our continuing aim, however, is to *improve* the level of service we give our customers by offering them more flexible service delivery options, and faster, more direct access to the information they need.

Two additional strategic challenges we face are related to our fiscal and administrative responsibilities and are also affected by downsizing. These are the challenges of continuing our oversight responsibilities of:

- the railroad retirement trust funds and the unemployment and sickness insurance account, and
- our administrative funds which are allocated from the trust funds.

As stewards of our customers' trust funds, we need to safeguard their investments. We do this through a combination of effective control and prevention programs, as well as sound investment and financial management systems. The Office of Inspector General's (OIG) audit of the Railroad Retirement Board's fiscal year 1999 financial statements included a disclaimer of opinion due to the lack of sufficient audit evidence to determine

the proper accounting and reporting of the financial interchange receivable and/or payable, and related net revenue amounts. We will continue to work with the OIG auditors in examining current accounting and auditing literature to find a mutually acceptable solution satisfying their concern.

We also need to wisely administer resources by properly aligning them with the needs of our customers, and ensuring that our employees have the tools and work environment that allow for flexibility and responsive organizational structures to meet our mission effectively and efficiently within a changing environment. We must also develop a well-trained workforce that will ensure continuity of agency operations.

Another strategic issue we must address in the next 5 years is how we can best use technology and automation to achieve our mission. We must identify, promote and sponsor promising information technology solutions and initiatives. At the same time, we must recognize the information security challenges introduced by new technologies, particularly those related to use of the Internet and electronic commerce. We need to establish and adhere to sound information security practices and policies for those areas in order to protect our customers' rights to privacy and security in conducting personal business transactions with us. We also need to develop a technical architecture and strategy which supports achieving the goals in this plan, and ensures that we are effective and efficient in managing our information technology resources.

In order to address these strategic issues, the RRB has established strategic goals and objectives that we believe will enable us to meet the challenges in front of us, continue to meet our mission and satisfy our customers' expectations. The first two goals, customer service and stewardship, are "results-oriented," directly related to achievement of our mission. The third is a "means-oriented" goal, that is, achieving it will help enable the agency to meet the first two goals.

## VI. STRATEGIC GOALS AND OBJECTIVES

### ***S***TRATEGIC GOAL I: *Provide Excellent Customer Service.*

We aim to satisfy our customers' expectations for quality service both in terms of service delivery options and levels and manner of performance. We have established six strategic objectives that focus on the specifics of achieving this goal.

#### ***STRATEGIC OBJECTIVE I-A: Pay benefits accurately.***

The RRB is committed to ensuring that we pay the right benefits to the right people. We have a number of measures in place to track the accuracy of the actions we take in a year, both in the Railroad Retirement Act (RRA), and in the Railroad Unemployment Insurance Act (RUIA) programs. The principal indicators of performance are the benefit payment accuracy rates in each program.

Our performance goal is to ensure that we can continue to meet or exceed 99 percent accuracy in the payments we initiate or manually adjust in a given year. To accomplish this, we will:

- *Monitor payment accuracy and identify problems.*

Our intention is to continue our practice of monitoring the accuracy of award actions, looking at performance trends, and identifying problem areas. On an ongoing basis, we use that feedback to identify opportunities for improvement, develop and implement short-range improvement plans, and make recommendations for automation initiatives. These will be considered for inclusion in our Strategic Information Resources Management Plan, which is updated annually.

In addition, in fiscal year 2001, we will begin to include initial disability payments in the universe of cases from which we draw our sample to determine payment accuracy. In the past, we performed separate reviews of this workload on a periodic basis. Staffing reductions prevented us from doing that on a regular basis.

- *Provide feedback and take additional preventive actions as appropriate.*

On an ongoing basis, we will also continue to provide constructive feedback to organizations for their use in enhancing and rewarding individual or group performance. We will also provide training, as appropriate, to prevent recurrence of human errors.

***STRATEGIC OBJECTIVE I-B: Pay benefits timely.***

Timeliness of our payments is an essential ingredient in providing quality service. Those who are sick, disabled, or unemployed did not plan for a decrease in their income, and they need their benefit payments right away. Those who retire voluntarily also need the income quickly, and they need the assurance of knowing their final payment rates so that they can adequately plan for the future. In any case, the agency needs to provide benefits at the point our customers expect them. We measure the success of our efforts in this area by looking at our performance vis-à-vis our Customer Service Plan and at average processing times.

One performance goal is to achieve the levels of service outlined in the Customer Service Plan. (See Exhibit 1.) Our Annual Performance Plan sets yearly targets for the percentage of customers that will receive service in the time frame specified in the Customer Service Plan. These targets are revised annually based upon such variables as projected workloads, process capabilities and available resources.

Another goal is to maintain acceptable workload balances and prevent backlogs from developing in key workload areas.

To accomplish this strategic objective, we plan to:

- *Ensure that the Customer Service Plan is comprehensive and is revised when appropriate.*

Currently, the RRB's Customer Service Plan has a number of timeliness goals for the unemployment and sickness insurance programs, as well as initial retirement, survivor, disability decisions and payments. A timeliness goal is also in place for handling customer inquiries. Progress against our goals is tracked quarterly and is reported to our customers annually. Over the course of the planning period, we will be reviewing the standards in the plan to ensure that they cover all major aspects of our mission. We will look at the plan to determine if it needs to be revised as a result of customer feedback or other factors.

- *Identify performance gaps and implement changes in the processes where needed.*

While we will always strive to meet the standards we set, we may not always be able to do that. We will review our performance data at least annually to identify areas that fall short of our goals. Through streamlining and reengineering studies, we will look for ways to make short-term improvements, and we will develop recommendations for projects to include in our Strategic Information Resources Management Plan. Finally, we will track our improvements to determine their effectiveness.

For example, progress toward more efficient claims processing will be limited until we realize some of the planned automation initiatives such as Document Imaging. Work has begun on changing processes that are within our control. Automation initiatives that will make claims activity more efficient and provide a higher level of service to our customers will require special funding.

- *Monitor key payment workloads.*

We will continue to monitor our performance on key workloads. We will ensure that we maintain the on-hand balances at the end of the fiscal year at or below the “normal working balance” -- that is, the number that can reasonably be worked off by existing staff within the timeliness standard set for that work.

- *Evaluate our regulations, policies and procedures to determine if there are opportunities to reduce lead times and streamline processes.*

To the extent that delays are caused by regulatory, policy or procedural requirements, we will review and evaluate them to determine if the conditions which generated them are still valid or if there are alternate ways to address them. If so, we will propose changes for consideration at the appropriate level.

***STRATEGIC OBJECTIVE I-C: Provide relevant, timely, and accurate information which is easy to understand.***

In addition to making payments, we provide a variety of information to our customers. We provide general information through our website, publications, and our toll-free automated Help Line. In addition, we provide information to individuals through annual statements of wages and compensation, annuity estimates, notices of annuity and benefit awards and changes, annual income tax statements and answers to questions regarding benefits. It is important that we provide this information in ways that are accessible and responsive to the individual's needs. The level of our performance in this area is measured by how well we succeed in achieving the levels of service designated in our Customer Service Plan, acceptable workload balances, and from customer feedback and/or internal studies.

To accomplish this, we will:

- *Seek feedback from our customers to determine their expectations and whether those expectations are being met.*

One of the best ways to know whether the notices we provide are relevant and accurate and that they meet the timeliness expectations of our customers is to ask them. We have developed a plan for measuring the quality and accuracy of our correspondence, publications and voice communications during the planning period.

Ongoing and planned methods include:

- We are currently reviewing feedback received during meetings with our customers (e.g., Conversations with America events). We also compile feedback we get from customer comment cards available to those who visit our field offices to conduct their business.
- We are also in the process of developing a survey for the toll-free automated Help Line. We expect to actually begin using the survey in fiscal year 2001.
- Our long-term plan includes the development of an on-line publications survey and including survey cards in select categories of letters, notices and publications. We will set target dates for each initiative in our Annual Performance Plan.

- We also plan to conduct a customer satisfaction survey in fiscal year 2001 which will give us feedback on this and other goals. We are evaluating alternative ways to conducting this survey, including use of the American Customer Satisfaction Index (ACSI), which is a survey instrument used by the President's Management Council to evaluate customer confidence in government.

In addition, a variety of special studies/periodic measures, such as post service surveys, studies of award letters and publications, focus groups and full-scale surveys, may be conducted.

- *Adjust our Customer Service Plan or our processes, based on customer feedback.*

Using the feedback generated from our customer contacts, we will develop and implement a plan to improve our notices and publications. We will also review the Customer Service Plan based on feedback received and make recommendations for revisions as appropriate to respond to our customers' requirements. We plan to initiate a full-scale revision to the customer service plan in fiscal year 2002, using the results from the customer satisfaction survey. The new plan should be ready for use in fiscal year 2003.

- *Monitor key informational workloads.*

We will continue to monitor our performance on key workloads. We will ensure that we achieve workload levels at the end of the fiscal year that are at or below the "normal working balance" - that is, the number that can reasonably be worked off by existing staff within the timeliness standard set for that work.

***STRATEGIC OBJECTIVE I-D: Provide a range of choices in service delivery methods.***

In these days of rising expectations, in order to fulfill customers' needs, we not only need to provide high quality, accurate products on a timely basis, but we need to provide them in ways that are accessible and convenient to all our customers, including the elderly and those with impairments. As we say in our vision statement, we strive to deliver service when, where and how our customers want it. Our customers have indicated they want us to continue to provide personal service. We need to balance this desire with the resources that are available to us, taking advantage of technological developments that will enable us to both satisfy our customers and live within our budget.

Our level of performance will be measured by how well we succeed in providing the level of service our customers expect, and by the number of choices we can provide in each program at reasonable cost. The RRB is participating in the Access America for Seniors Website established by the National Partnership for Reinventing Government. This website provides a portal for senior citizens to access government services. We have also

identified several customer services that can be offered over the Internet and will be implementing them over the planning period.

To achieve this objective, over the course of the next 5 years, we plan to:

- *Seek customers' service delivery preferences.*

We may use ongoing customer input from Conversations with America, customer satisfaction comment cards, feedback from questions we will pose on our website in 2001, and our customer satisfaction survey planned for 2001 to obtain feedback about how our customers want their service delivered. Options include in person (both at field offices and through itinerant service), via telephone, via mail, or through advanced technology, such as electronic mail, the Internet, fax, and interactive voice response systems. As we expand our uses of newer technologies, we will keep in mind the reservations expressed by some retirees about their difficulties in using these kinds of systems. We will ensure privacy of personal information, within a secure environment.

- *Identify "best-in-class" service options.*

In addition to asking our customers what they want, we will strive to determine the best practices available by studying the marketplace in both the private and public sectors. We will also look at those organizations awarded special recognition for their excellent service delivery.

- *Offer service options considering customer preferences and available resources.*

Once we analyze customer feedback to determine preferences and priorities, we will review the best service options available and look at the various cost, technology, privacy, security and implementation issues. From that information, we will develop recommendations for inclusion in the next Strategic Plan update.

***STRATEGIC OBJECTIVE I-E: Ensure an efficient and effective reporting system for railroad employers.***

To correctly pay benefits, the RRB must receive timely and accurate reports of wages and service months of railroad employees. It is the responsibility of the employer to provide these reports with respect to its employees. To ensure the receipt of accurate and timely reports, the RRB must strive for a system of reporting which is easily understood, which places minimal burden on employers and ensures compliance with the applicable laws. To accomplish this, the RRB intends to:

- *expand the use of electronic data interchange whereby the employer can report over secure telecommunications lines and receive immediate feedback on receipt and acceptability of their reports (we will achieve this by October 2003 in compliance with the Government Paperwork Elimination Act);*
- *work with the Social Security Administration to determine the feasibility of single reporting to reduce the reporting burden on railroad employers; and*
- *assess its controls for ensuring that employers are submitting complete and accurate information.*

***STRATEGIC OBJECTIVE I-F: Deliver service at the point-of-contact (“one and done”).***

We strive to deliver service at the point-of-contact. Our objective is "one and done"--meaning that our customers can complete their business with us in a single contact. Our success in this goal will be measured by a noticeable reduction in "hand-offs" (passing work from one employee to another) and layers of review involved in processing service transactions, and by an analysis of our reversal rates (the incidences in which our initial determination on a case is changed). Most importantly, we will gauge our success by the feedback from our customers. In order to achieve this goal, we will:

- *Make information available for point-of-contact service.*

In order to deliver service at the point-of-contact, we are reviewing our present delivery service process and inventorying what transactions are presently completed this way. We will review one major service area each fiscal year over the next 5 years. As part of each review, we will identify those services that are not provided at point of contact and develop action plans for improving our procedures and processes so that the services can be improved. In addition, we have developed plans for several automation initiatives that focus on point of contact service by using Internet technology. We will pilot the first of these in fiscal year 2001. We will develop other initiatives over the course of the planning period as we gain experience using this technology, and get sufficient funding to

support that development. Our use of technology, however, will be compatible with our stakeholders' concerns that privacy and security be maintained.

- *Design systems to facilitate customer focus and ease of use.*

In conjunction with the Strategic Information Resources Management Plan, we will focus on designing the system changes identified above in ways that are easy for customers and employees to use.

- *Monitor and evaluate the incidences where initial payment or denial decisions are reversed.*

For those situations in which our initial decision to pay a certain amount or deny someone is reversed, we will evaluate the reason for the reversal, and determine if there are improvements that could be incorporated into the initial process. We will also look at the cost of the review and appeal process for opportunities to streamline and reduce costs while maintaining integrity and quality. Finally, we will benchmark with other agencies and organizations with similar processes both for comparison, and to determine if there are improvements that can be made.

***STRATEGIC GOAL II: Safeguard Our Customers' Trust Funds Through Prudent Stewardship.***

The RRB is committed to fulfilling its fiduciary responsibilities to the rail community. We have established seven objectives that direct our focus on this goal.

***STRATEGIC OBJECTIVE II-A: Ensure the integrity of benefit programs through comprehensive and integrated monitoring and prevention programs.***

As part of our fiduciary responsibilities to the rail community, we must ensure that the correct amount of benefits is being paid to the right people. We match our benefit payments against the Social Security Administration's earnings and benefits database, the Health Care Financing Administration's utilization and death records, the Office of Personnel Management's benefit records, and State wage reports, usually via computer tapes, and administer other benefit monitoring programs to identify and prevent erroneous payments. We also refer some cases to the Office of Inspector General for investigation. After investigation, the Inspector General may pursue more aggressive collection methods, which includes civil and criminal prosecution.

We measure the effectiveness of the matching programs each year by comparing the dollars collected or saved through these initiatives to their cost. For example, in fiscal year 1999, the RRB invested almost 38 full-time equivalent employees at a cost of \$2,114,000, in program integrity efforts. This resulted in \$9,549,051 in recoveries, \$362,286 in benefits denied and the referral of 69 cases to the Office of Inspector General for investigation. This is approximately \$4.69 in savings for each dollar invested in these activities.

To accomplish this objective we will:

- *Maintain established matching programs.*

Our plan is to continue our wage matches with all 50 States, the District of Columbia and Puerto Rico to ensure that employees are not working while drawing disability, unemployment or sickness insurance benefits. In addition, we will continue to coordinate our benefit payments with the Social Security Administration's Master Benefit Record to ensure the proper payment of benefits under both programs. We will continue to monitor our benefit payments against social security wage reports to ensure that our benefit payments are correctly adjusted for post-retirement earnings. We will also continue to compare our beneficiary records with the Health Care Financing Administration's files to prevent incorrect payment of benefits after an annuitant's death.

- *Explore opportunities for additional matching programs where cost-effective.*

We will explore opportunities to expand matching programs with States and other organizations to ensure that we are paying the correct amount of benefits where this proves cost-effective. Specifically, we will explore utilizing the newly created National New Hire Directory, which would require legislative changes. If this were a feasible option, we would propose legislative changes for the fiscal year 2004 budget (in fiscal year 2002).

- *Continue our program integrity reviews.*

We will continue to seek information from annuitants through questionnaires and to conduct reviews to ensure correct payment of benefits.

***STRATEGIC OBJECTIVE II-B: Ensure efficient operations through effective management control and quality assurance programs.***

Efficient management requires the ability to detect and correct material weaknesses in operations. It also requires implementation of cost-effective audit and quality assurance recommendations. One measure of our success in this objective is the number of material weaknesses reported to the President in our annual Federal Managers' Financial Integrity Act Agency Report. As indicated in the discussion of Strengths and Weaknesses, since this legislation passed in fiscal year 1982, the agency has identified 71 material weaknesses, all of which have been corrected. In addition, we can monitor our performance through a combination of audits and internal reviews.

To accomplish this objective we will:

- *Continue our overall commitment to our management control program.*

The RRB's management control program has proven effective in providing reasonable assurances of the effectiveness and efficiency of our programs and operations. We will continue this program and strive to correct material weaknesses when found.

- *Maintain an active quality assurance program.*

The RRB performs a variety of quality assurance activities to ensure that benefit programs comply with established policies, standards and procedures, and to recommend corrective action when quality falls below the acceptable level. We will continue and expand these activities to monitor our performance and to implement quality assurance recommendations as appropriate.

***STRATEGIC OBJECTIVE II-C: Ensure that trust fund assets are projected, collected, recorded, and invested appropriately through an effective and efficient trust fund management program.***

The RRB is committed to prudent management of its trust funds. Our success in this objective is reflected through our actuarial valuations, our financial projections, the annual financial statements, the annual financial statements audit, and reconciliations completed.

To accomplish this commitment, we will:

- *Continue to carry out the RRB's investment policy.*

The RRB's investment policy has proven to provide a reasonable return on investment consistent with acceptable risk to the RRB trust funds. We will review it periodically and make changes when appropriate. We recently contracted with an independent firm to provide investment advisory services and will use these services to enhance our investment performance.

- *Continue to carry out the RRB's debt collection policy.*

The RRB has established a debt collection policy to implement the Debt Collection Act of 1982, as amended by the Debt Collection Improvement Act of 1996. This policy calls for aggressive collection of debts owed the trust funds where such debts are not subject to waiver under the Railroad Retirement Act or Railroad Unemployment Insurance Act. We will periodically review this policy and make changes when appropriate. Since fiscal year 1996, we reduced the receivable balance from \$81.6 million to \$53.1 million at the close of fiscal year 1999 -- a reduction of \$28.5 million or 35 percent.

- *Continue to perform the RRB's actuarial valuations and financial projections.*

The RRB will continue to monitor the solvency of its trust funds through a sound program of actuarial valuations and financial projections using different assumptions.

- *Continue to estimate the RRB's funding requirements for the Railroad Retirement Supplemental Account and the Dual Benefits Payments Account.*

The RRB will continue to set the supplemental tax rate at a level which ensures sufficient income to fund supplemental annuity payments. In addition, the RRB will ensure that the amount requested to be appropriated by the Congress each year to fund vested dual benefits is sufficient to pay vested dual benefit obligations for that year.

- *Continue to perform compensation reconciliations.*

Based on our agreement with the Internal Revenue Service, we will continue to reconcile compensation reported by railroad employers for benefit calculation purposes with the compensation reported to the Internal Revenue Service for taxation purposes. We will maintain ongoing procedures and track performance and timeliness of our reviews to ensure that we can take effective action to resolve any problems before the statute of limitations expires on the reports in question.

- *Reconcile railroad retirement tax deposits reported by employers with taxes credited to the RRB trust funds.*

We will reconcile railroad retirement tax deposits reported by employers through the new RRBLINK/Electronic Fund Tax Payment System with funds deposited in the RRB trust funds by the Department of the Treasury.

***STRATEGIC OBJECTIVE II-D: Align our resources using a performance approach based on contribution to mission.***

As the RRB decreases its staffing level, we need a performance approach to staffing and allocating resources based upon contribution to mission. This will enable us to ensure that the activities with the highest priority get the needed resources. Under such an approach, our staffing will be aligned in a manner which best contributes to our mission. Our success will be measured by how well we meet customer service and accuracy standards (under Strategic Goal I), by the unit costs of production for key workloads, and by comparing our administrative costs to benefit outlays. To accomplish this, we will:

- *Continue to implement a performance-based approach to resource allocation and management utilizing tools such as Activity-Based Cost/Management, Return on Investment, or Cost-Benefit Analysis.*

We use performance-based approaches using tools such as *Activity-Based Cost/Management, Return on Investment, or Cost-Benefit Analysis*. Activity-based management is a comprehensive approach to resource allocation that is based on what an organization does. It can provide management with better

information of where costs are consumed and where potential improvement opportunities exist. Activity-based costing, a set of management information and accounting methods used to identify, describe, assign costs to, and report on the operations in an organization, is a key component of Activity-Based Cost/Management. The agency will continue to use an appropriate methodology through the budget process and all organizations will align their resources accordingly.

- *Evaluate and prioritize projects based on contribution to mission and return on investment.*

We have already developed a methodology to measure the cost effectiveness of automation projects. In fiscal year 2002, we will develop a consistent and effective way to "value" proposed projects and initiatives in areas other than automation, so that we can determine what priority they are to be given.

- *Monitor and evaluate the ratio of our administrative costs to benefit outlays.*

Our benefit outlays can change for a variety of reasons such as changes in benefit rates, beneficiary populations and eligibility requirements. Similarly, our administrative outlays can be impacted as a result of changes in Federal requirements or due to internal agency policies and processing efficiencies. We will continue to monitor our ratio, and to the extent that there are changes within our control, analyze and evaluate if improvements can be made.

***STRATEGIC OBJECTIVE II-E: Use outside sources and partnerships, when appropriate, to accomplish our mission.***

Another objective with respect to this strategic goal is to use outside sources and partnerships with other agencies and organizations, when appropriate (i.e., when significant savings can be expected and quality of services will not suffer). As a small agency, it is not always economically feasible to retain staff expertise in specialized areas or to perform all activities in-house. We will determine how well we use outside resources and partnerships through the actual number of each that we utilize, the cost and/or time savings we realize, improved effectiveness, and increased satisfaction with our program.

To accomplish this, we will:

- *Make use of advisory and assistance services when appropriate.*

The acquisition of advisory and assistance services is a legitimate way to improve Government services and operations. It can help the RRB achieve maximum effectiveness or economy of operations. We will continue to use advisory and assistance services provided by government and non-government sources to support or improve agency operations.

- *Keep abreast of current trends and opportunities.*

Education is crucial to a well-trained work force. We must provide an environment that will allow our employees to keep abreast of current changes in technology and ways of doing business. To achieve this, during fiscal year 2001, we will establish a clearinghouse which provides access to demonstration projects, publications and services on new technology. Each organization in turn will be responsible for making use of current technology in its operations and for improving how it does business.

- *Work with other agencies and organizations to meet mutual goals.*

We already have a number of agreements and working relationships with other Federal and State agencies as well as organizations such as universities. These range from matching agreements and system-to-system access between agencies to sharing training and office facilities and contracting for services. We will strive to continue agreements we already have and expand them in mutually beneficial ways in order to meet our mission as efficiently and effectively as possible, and best serve our customers' needs.

For example, the direct systems-to-systems data exchange with the Social Security Administration allows for a more efficient, timely, and secure transfer of data between the two agencies.

***STRATEGIC OBJECTIVE II-F: Ensure that the RRB consistently pays the lowest price for products and services commensurate with quality, service, delivery and reliability.***

This objective, based upon Federal Acquisition Regulations which apply to all Federal agencies, would create a first-class acquisition system. The measures of our performance in achieving this objective are detailed in the agency plan developed under these regulations. Briefly, they are: contract award dates shall, at a minimum, meet agency-mandated delivery schedules; solicitations shall include past performance of the contractor as an evaluation factor; contractor performance evaluations shall be conducted in accordance with the applicable Federal

Acquisition Regulations; the dollars obligated using simplified acquisition procedures shall exceed the Federal government percentage of dollars competitively awarded; and, each purchase order and each contract file shall exhibit a positive vendor responsibility determination.

To achieve this objective, the RRB will do the following:

- *Pay the lowest price for products/services commensurate with quality, service, delivery, and reliability.*

We will promote full and open competition to the maximum extent practical when procuring products and services for the agency, and award purchase orders and contracts only to responsible contractors.

- *Closely manage solicitations and the resulting contracts.*

We will award contracts on time to ensure that the required product or service is delivered in time to meet agency requirements and ensure the delivery of quality products and services.

We will use the simplified acquisition process where appropriate. We will closely monitor products and service delivery schedules and take all necessary remedies to obtain products and services that satisfy agency requirements.

***STRATEGIC OBJECTIVE II-G: Use, build and maintain a professional, productive, innovative and diverse workforce.***

Professionalism and productivity will be encouraged by our efforts to ensure that all employees and organizational units can link their daily activities with the agency's mission and operate in an environment that allows them to work effectively and efficiently. With a diverse workforce and an increasing need for specialized skills and talents, the challenges our employees face each day are significant. In order to meet these challenges, our employees need the training and development to be able to work together in a supportive, discrimination-free environment that encourages innovation to achieve our goals. The RRB also recognizes the needs our employees have for flexibility in their workplace and in their schedules. Programs such as family-friendly leave, compressed work schedules, and other accommodations allow employees to balance their family and work needs.

In order to evaluate our progress in this area, we will continue to work with the employees' representatives to develop meaningful feedback mechanisms and measures that will enable us to determine the level of awareness of individual identification with the agency's mission. We will review individual employee performance appraisal plans to ensure this linkage and hold managers accountable

for achieving specific results. We will also monitor and analyze sustained discrimination complaints to determine trends.

We will seek additional measures that will provide valid feedback and enable us to assess our performance in this area. In addition, we will evaluate our performance on the levels of service specified in the Customer Service Plan, and monitor our quality measures.

In order to accomplish this objective, we will:

- *Communicate the mission and Strategic Plan to all employees.*

All employees will be familiar with the goals and objectives in the Strategic Plan, thereby creating a high level of awareness in all employees of the connection between their jobs and the agency's mission. This will be accomplished during review of their performance objectives and plans for the year, as well as through an ongoing communications program which includes publications, training sessions, and frequent updates on status of progress on our objectives through internal releases. In this way, employees will be able to see how their daily activities tie in with our strategic goals and, if necessary, better align their activities with those goals.

- *Have each organizational unit identify and communicate its specific contributions to the agency's overall mission.*

We will celebrate our successes. We will publicize the contributions that our employees have made toward achieving our strategic goals and accomplishing results.

- *Link individual performance appraisal plans with achievement of agency goals and objectives.*

Managers and supervisors are held accountable for achievement of our goals. The process of directly linking our top managers' performance appraisal plans to this plan's strategic goals and objectives has already been accomplished. By fiscal year 2003, this will be expanded to include all agency employees.

- *Maintain a diverse workforce.*

As we progress into a new century, with the increasing diversification of our customer base, we intend to continue the diversification of our workforce. Given our declining level of employment, progress may not be as quick as we may like. We will monitor our progress in this area through the annual EEO reports which the agency compiles.

***STRATEGIC GOAL III: Use Technology and Automation to Foster Fundamental Changes That Improve the Way We Do Business.***

The RRB understands the value and importance of making fundamental changes in the way we operate, due to continued demands to reduce staffing levels and operating budgets, along with increasing public expectations for new types of service and new legislative requirements. We have established three strategic objectives that focus on how we intend to use the agency's information technology resources to make fundamental improvements in the way we achieve our mission.

***STRATEGIC OBJECTIVE III-A: Develop a sound and integrated information technology architecture that will foster our long-term efforts to improve mission performance while operating with fewer resources.***

With the completion of several critically needed improvements in the RRB's technical infrastructure in recent years, including Year 2000 modifications, network communications upgrades, and the introduction of Internet capability, we are now positioned to develop a more long-term, comprehensive approach to information technology planning. In order to achieve significant, break-through improvements in the performance of our mission in the future, we must examine the basic structure underlying our current business and technical operations, and develop an information technology architecture.

The architecture is essentially a design, or blueprint, that encompasses clear standards for our data, application systems, communications, and information security. Its purpose is to help ensure the feasibility and appropriateness of future information technology investments, and to facilitate rapid changes in the agency's operations. With an architectural blueprint in hand, the RRB will be better able to adapt efficiently and effectively to new business needs as they arise. These may include needs such as legislative changes, new customer expectations, additional administrative requirements, or reductions in budgetary resources. The value of information technology architecture planning as an ongoing function is that it provides sound analytical data, standards, and principles on which to base changes in systems or technology. As a result, it should ensure that investments made to achieve these changes are consistent with the agency's target configuration, are technically feasible, and above all, produce the desired results within an appropriate time frame and cost.

To accomplish this objective, the RRB will:

- *establish a formal information technology architecture planning function by September 30, 2001;*

- *develop an initial framework for information technology architecture by September 30, 2001, and continue to develop additional details within that framework over time;*
- *establish processes to support and enforce the information technology architecture once it is established to ensure that it is uniformly followed throughout the agency; and*
- *use the information technology architecture as a standard for evaluating and prioritizing all major automation initiatives and investments.*

***STRATEGIC OBJECTIVE III-B: Design and implement information technology initiatives that fundamentally improve our efficiency and effectiveness in achieving the agency's mission.***

We recognize the importance of focusing on those new technologies and initiatives that will promote the RRB's most critical business needs. The RRB's Strategic Information Resources Management Plan provides a long-term overview of the target direction for automation and technology, and includes information technology initiatives to be undertaken during the next few years. At the same time, we will strive to achieve an appropriate balance between short-term and long-term improvements. Success will be measured by the extent to which each initiative achieves the desired end result -- e.g., reduces ongoing processing costs, improves service to the customer, improves the accuracy of the benefit payments, etc. We will document our expectations before each initiative is undertaken and will use them as a measuring stick at the end of each project to determine the actual level of our performance.

***STRATEGIC OBJECTIVE III-C: Ensure effective and efficient management of information technology resources.***

This objective relates to all types of information technology resources, from personnel to hardware and software. It is crucial to manage all of these resources carefully, in order to ensure that they are used for the highest business priorities of the agency, and are not wasted through inefficient or ineffective processes. To measure our performance in this area, we will rely on the information in the Strategic Information Resources Management Plan, the establishment of schedules and goals for major projects and initiatives, and the operation of user service agreements for computer operations. This objective closely supports the RRB's second strategic goal of prudent stewardship of the trust funds because information technology investments represent a significant portion of the agency's administrative budget.

We plan to take the following actions to achieve this objective:

- *Ensure focus, direction, and consistency on all major automation activities.*

The management of information technology resources is an increasingly complex challenge in today's fast-changing environment. It requires continual planning, evaluation and oversight to ensure that all aspects of the automation program are being pursued in a consistent direction. Even while we are dependent on maintaining our "legacy" systems for our ongoing operations and services, we are also pursuing the development of new systems and automation enhancements. We will continue to expand and update our Strategic Information Resources Management Plan so that it clearly reflects the direction for automation initiatives during this planning period.

Another aspect of this objective is to manage the delivery of computer operations, support and development services to our customers, both internal and external, in a responsible and responsive manner. We will maintain and update specific user service agreements between our information services staff and their customers to reflect realistic expectations and commitments to meet those expectations.

- *Perform benefit-cost analyses for major information technology projects.*

To ensure that major investments of information technology resources will result in a meaningful return, we will conduct benefit-cost analyses for major initiatives, in proportion to their expected costs and impact. We will ensure that benefit-cost analysis guidelines are used consistently throughout the organization.

- *Strive to reduce information technology project cycle times and costs.*

We are committed to seeking new ways to increase our efficiency in developing information technology projects. This will involve exploring new techniques for project management and tracking, as well as the use of new tools and technology. This represents an ongoing effort in which we will seek continuous improvements.

## VII. KEY EXTERNAL FACTORS

The RRB recognizes that there are several key factors external to the agency which could affect the achievement of our strategic goals and objectives. These factors are shown below.

<b>Factor</b>	<b>Strategic Goal(s) Impacted</b>	<b>Likelihood</b>	<b>How Achievement of Goal Could be Affected/Ways to Mitigate Impact</b>
Significant reductions in our administrative budget	Customer Service; Stewardship; Information Technology	Possible.	The Annual Performance Plan will reflect, in detail, the projected impact of a significant reduction in funding on these goals. To date, the RRB has managed to improve some aspects of operations within budget constraints, using various streamlining initiatives and automation of manual work processes.

<b>Factor</b>	<b>Strategic Goal(s) Impacted</b>	<b>Likelihood</b>	<b>How Achievement of Goal Could be Affected/Ways to Mitigate Impact</b>
Payment of full commercial rent to the General Services Administration for occupied properties	Customer Service; Stewardship; Information Technology	Possible.	Funds presently allocated for other purposes would have to be reallocated for rent and/or operational facilities would have to be closed. In recent years, the RRB has significantly reduced the number of field offices available to serve the public. Further reduction would severely impact customer service. Reduction of funds targeted for information technology development would also result in a decline in service. Congressional action to <u>permanently</u> set our rent at the actual cost level or to increase the RRB's funding to offset the additional rental charges may be required to mitigate this factor.

<b>Factor</b>	<b>Strategic Goal(s) Impacted</b>	<b>Likelihood</b>	<b>How Achievement of Goal Could be Affected/Ways to Mitigate Impact</b>
Lack of interagency cooperation or support for key operations (e.g., Department of the Treasury's issuance of our payments, Social Security Administration's wage and data exchange, and the Internal Revenue Service's tax collections)	Customer Service; Stewardship; Information Technology	Possible. As other agencies find themselves operating with fewer resources, there is a possibility that their reductions would impact our services.	The RRB depends heavily on interagency cooperation and support to carry out many of our functions and services. We will continue to maintain contacts with key agencies to ensure active coordination and support.
Sudden, unanticipated and significant declines in railroad employment levels	Customer Service; Stewardship	Possible. Payroll taxes are the primary source of financing for railroad retirement benefits. If economic conditions change significantly, rail industry employers may be required to substantially reduce staffing. Currently, we anticipate such action only under a pessimistic employment scenario.	In the past, larger than expected declines in railroad employment have resulted in legislation to reduce benefits and increase taxes. A similar need for legislative changes may arise if there were a dramatic, sudden, unexpected decline in railroad employment. The impact could be mitigated if alternate sources of financing are identified.

<b>Factor</b>	<b>Strategic Goal(s) Impacted</b>	<b>Likelihood</b>	<b>How Achievement of Goal Could be Affected/Ways to Mitigate Impact</b>
Major, program-related legislative changes	Customer Service; Stewardship; Information Technology	Possible. Proposals to amend basic benefit provisions of the RRA have been discussed by railroad labor and management.	The impact of the legislative changes on the strategic goals would have to be fully assessed if those proposals are enacted and may result in the deferral of resources from other priorities.
Major, mission-related legislative changes	Customer Service; Stewardship	Unlikely. There have been several proposals to change the structure of the agency, but none have been introduced into the Congress at this time.	Legislative changes dealing with the agency's fundamental mission are not anticipated, and their impact would have to be fully assessed if and when proposals are made.

<b>Factor</b>	<b>Strategic Goal(s) Impacted</b>	<b>Likelihood</b>	<b>How Achievement of Goal Could be Affected/Ways to Mitigate Impact</b>
Loss of public confidence in the solvency of the railroad retirement system and the ability of the agency to provide necessary services	Stewardship	Unlikely. The continued confidence of both railroad employers and employees and the beneficiary population is a critical factor. As customer satisfaction remains high, a loss of public confidence is unlikely, provided administrative funding is not significantly reduced.	We will continue to monitor the solvency of the funds, and look for ways to ensure administrative efficiencies to keep costs low. We will also continue to monitor our customers' level of satisfaction.

In developing this plan, we recognized that there are a number of potential strategic issues that may arise during the coming years which relate to various external factors listed above. These include, but are not limited to, changes in basic program plan design, alternative sources of financing, transferring functions to other agencies, establishing performance-based organizations, and privatization. Issues of this nature could cause fundamental changes in the RRB's programs, operations, structure, and/or financing, and thereby directly impact this plan.

## VIII. PROGRAM EVALUATIONS

The RRB considered the results of numerous program evaluations in preparing its strategic plan and will use program evaluations to revise it in the future. The most important of these are summarized below.

<b>Program Evaluations</b>			
<b>Program Evaluation</b>	<b>Methodology/ Scope</b>	<b>Issues Addressed</b>	<b>Schedule for Future Program Evaluations</b>
Federal Managers' Financial Integrity Act Reports and Risk Assessments	Analytical/ RRB administration	Adequacy of internal controls	Annual
Triennial Actuarial Valuation	Actuarial 75-year projection	Railroad Retirement Act (RRA) revenue/expense projections	Triennial
Annual Actuarial Status Report of Railroad Retirement System	Actuarial 25-year projection	RRA revenue/expense projections	Annual
Annual Actuarial Status Report of Railroad Unemployment Insurance System	Actuarial 11-year projection	Railroad Unemployment Insurance Act (RUIA) revenue/expense projections	Annual
Customer Service Plan Reports	Analytical/ RRA and RUIA benefit programs	Customer service	Annual

<b>Program Evaluations</b>			
<b>Program Evaluation</b>	<b>Methodology/ Scope</b>	<b>Issues Addressed</b>	<b>Schedule for Future Program Evaluations</b>
Quality Assurance Reports	Statistical sampling/ RRA, RUIA benefits	Accuracy and timeliness of benefits; quality of correspondence.	Annual
A Variety of Client Satisfaction Surveys and feedback	Statistical; focus groups; comment cards/RRB beneficiaries	Client satisfaction with RRB services	Periodic
Annual Financial Statement Audit	Office of Inspector General audit of agency financial statements	Accuracy of financial statements	Annual
RRB Office of Inspector General Audits	Audits/ Agency-wide	Effectiveness and efficiency of agency operations	Periodic
Annual Performance Plan Monitoring	Longitudinal Study/Key Agency Performance Goals	Customer service, stewardship, information technology issues	Semi-Annual

## **IX. NEXT STEPS**

### **COMMITMENT TO RESULTS**

This plan continues a cooperative and intensive effort on the part of the agency's management and staff and reflects input from our customers and other stakeholders. It is a plan we are proud to present. However, a strategic plan is only that -- a plan. Unless the strategic goals and objectives are translated into action, they are meaningless. The plan itself will not provide excellent customer service, prudent stewardship, or innovative leverage of technology. Unless these strategic goals are incorporated into the annual performance plans, budgets and day-to-day activities of the agency, they will not be achieved.

In order to ensure achievement of strategic goals, the Government Performance and Results Act provides that each agency will develop annual performance plans, which are submitted along with the agency's budget requests. The annual performance plan demonstrates the linkage between the agency's strategic goals and our performance goals to be achieved during the budget year.

The RRB develops annual performance plans, based on its strategic goals, which are designed to make continual, measurable progress on our objectives. Annual performance plans are developed using the performance-based approach as outlined in the Strategic Plan. As illustrated in Figure 3, (page 7), the RRB annual performance plan was developed based on updates to the Customer Service Plan and standards, as well as the Strategic Information Resources Management Plan. Annual performance goals for key work areas are articulated in this Strategic Plan, along with our methods for measuring achievement of those goals. We will, of course, monitor our performance throughout the year and make adjustments, as needed, to achieve the desired results. The RRB submitted its first annual performance report, as required by the Government Performance and Results Act, in February 2000, 5 months after the close of fiscal year 1999.

In addition to developing our performance plan every year for inclusion with the budget, we will monitor our Strategic Plan annually and update it as needed. At a minimum, we will update our Strategic Plan every 3 years as required to project out 5 years into the future.

The Railroad Retirement Board is proud of this plan and expects that it will guide us as we continue our long and distinguished tradition of excellence in service to our customers. The RRB has a proven track record of carrying out its plans and achieving results. We believe that this Strategic Plan, along with the annual performance plans and sufficient budget resources, will help us to achieve the results our customers need and deserve.



***U.S. Railroad Retirement Board***

# Customer Service Plan

The U.S. Railroad Retirement Board recognizes that all its services are financed by our customers: the nation's railroad workers and employers. They are entitled to expect high-quality service, responsive to their needs, provided efficiently at a reasonable cost. This has been recognized in the agency mission statement:

*In carrying out its mission, the RRB will pay benefits to the right people, in the right amounts, in a timely manner, and safeguard our customers' trust funds. The RRB will treat every person who comes into contact with the agency with courtesy and concern, and respond to all inquiries promptly, accurately and clearly.*

The *Customer Service Plan* is centered on the following principles of public service: standards; openness; accessibility; and accountability. In arriving at this plan, we have considered the findings of a customer satisfaction survey, the results of focus group research, and the responses received on point-of-service evaluation forms. This *Customer Service Plan* is published nationally and posted in each office of the RRB in order to communicate these standards to our customers and to reinforce them with our employees. There is a clear presumption that our service will progressively improve as our operations become more efficient. The plan will be reviewed and updated periodically as

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we gain more experience with it and as we compare our service with the best in the private sector.

## **Standards**

- We will be courteous and treat you with respect every time you contact us.
  - The information you provide us is protected under the provisions of the Privacy Act.
  - When you inquire with us by letter, you will receive a reply within 15 days of the date we receive your inquiry. If for any reason we cannot reply within that time frame, we will acknowledge your letter and tell you how long it will be before we can answer your questions fully.
  - If you filed for a railroad retirement employee or spouse annuity in advance, you will receive your first payment, or a decision, within 35 days of the beginning date of your annuity. If you have not filed in advance, you will receive your first payment, or a decision, within 65 days of the date you filed your application.
  - If you filed for a railroad retirement survivor annuity or lump-sum benefit, you will receive your first payment, or a decision, within 65 days of the date you filed your application, or became entitled to benefits, if later. If you are already receiving a spouse annuity, you will receive your first payment, or a decision, within 35 days of the date we receive notice of the employee's death.
  - If you filed an application for unemployment or sickness insurance benefits, you will receive a claim form, or a decision, within 15 days of the date you filed your application.
  - If you filed a claim for unemployment or sickness insurance benefits, you will receive your payment, or a decision, within 15 days of the date we receive your claim form.
  - If you filed for a railroad retirement disability annuity, you will receive a decision within 105 days of the date you filed your application. If you are entitled to disability benefits, you will receive your first payment within 25 days of the date of our decision, or earliest payment date, whichever is later.
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- If you think we made the wrong decision about your benefits, you have the right to ask for review and to appeal. We will tell you about these rights each time we make an unfavorable decision about your benefits.
- Claims for some benefits may take longer to handle than others if they are more complex, or if we have to get information from other people or organizations. If this happens, we will give you an explanation and an estimate of the time required to make a decision.

## **Openness**

- We will display in each office how well we are meeting the established standards.
- When you visit our offices, the staff you see will identify themselves by name.
- When you telephone us, we will identify ourselves by name.
- Our letters will be easy to understand, and, unless the letter is a computer notice, the person writing to you will give you his or her name.

## **Accessibility**

- When you telephone us, you will reach us on the first try.
- When visiting us, you will be helped within 5 minutes of your scheduled appointment.
- You will not have to wait more than 30 minutes if you do not have an appointment.
- If you cannot come to our office, we may be able to visit you at home or at one of our regularly scheduled service locations.

## **Accountability**

- If things go wrong, at the very least you are entitled to a good explanation and an apology.
- A Customer Assessment Survey form is available in every office for you to tell us how we did and how we can improve our service.

- If you are not satisfied with our service, you may contact the manager of the office with which you have been dealing, or the Regional Director who is responsible for that office. Their names and addresses are available in each office.

<b>Railroad Retirement Board Performance Goals, Indicators and Measures</b>	<b>Measure</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Estimate</b>	
<b>Strategic Goal I: Provide Excellent Customer Service</b>				
<b>Performance Goal I-A: Pay benefits accurately.</b>				
1. Achieve a railroad retirement benefit payment accuracy rate of at least 99%.	Initial payments:	% Accuracy rate	99.68%	99.40%
	Post payments:		99.92%	99.60%
2. Achieve a railroad unemployment/sickness insurance benefit payment accuracy rate of at least 99%.	Unemployment:	% Accuracy rate	99.60%	99.50%
	Sickness:		99.70%	99.60%
<b>Performance Goal I-B: Pay benefits timely.</b>				
1. Railroad retirement employee or spouse receives initial annuity payment, or notice of denial, within 35 days of annuity beginning date, if advanced filed.	% # 35 days	94.6%	89%	
2. Railroad retirement employee or spouse receives initial annuity payment, or notice of denial, within 65 days of the date the application was filed, if not advanced filed.	% # 65 days	93.1%	87%	
3. Survivor annuitant not already receiving a benefit receives initial payment, notice of denial, or notice of transfer to SSA within 65 days of the annuity beginning date, or date filed (whichever is later).	% # 65 days	77.3%	70%	
4. Survivor annuitant receiving benefits as spouse receives payment as survivor, notice of denial, or notice of application transfer to SSA, within 35 days of RRB receipt of the notice of employee's death.	% # 35 days	90.7%	85%	
5. Applicant for any railroad retirement death benefit receives payment, or notice of denial, within 65 days of date filed.	% # 65 days	93.8%	80%	
6. Unemployed railroad worker receives UI claim form, or notice of denial, within 15 days of the date application filed.	% # 15 days	99.00%	95.0%	
7. Railroad employee unable to work due to temporary illness or injury receives SI claim form, or notice of denial, within 15 days of the date application filed.	% # 15 days	99.00%	95.0%	
8. Railroad employee, unemployed or unable to work due to temporary illness or injury, receives a payment for unemployment or sickness insurance benefits, or a decision, within 15 days of claim receipt.	% # 15 days	99.50%	95.0%	
9. Disabled applicant or family member receives notice of decision to pay or deny within 105 days of the date application for disability is filed.	% # 105 days	50.6%	65%	
10. Disabled applicant receives payment within 25 days of decision or earliest payment date (whichever is later).	% # 25 days	90.0%	88%	

<b>Railroad Retirement Board Performance Goals, Indicators and Measures</b>	<b>Measure</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Estimate</b>
11. Maintain an end-of-year normal carry-forward balance of 11,055 cases or less in 8 targeted workload categories.	Number on hand at end of year	3,636	5,600
12. Reduce the number of days elapsed between the date the appeal is filed and a decision is rendered. <u>1/</u>	Average elapsed days	203	220
<b>Performance Goal I-C: Provide relevant, timely, and accurate information which is easy to understand.</b>			
1. Inquirer receives answer or acknowledgment of written correspondence within 15 days of receipt.	% # 15 days	99.00%	98.00%
2. Achieve quality and accuracy of correspondence, publications, and voice communications. <u>2/</u>	Surveys and reviews	Developed a plan	Deferred <u>3/</u>
3. Maintain the combined balance of unprocessed record corrections and cases requiring review for corrected tax statements below the end-of-year normal working level (1,200 items).	Number on hand at end of year	153	550
<b>Performance Goal I-D: Provide a range of choices in service delivery methods.</b>			
1. Offer service for the retirement program by telephone, interactive voice response (IVR), mail, personal computer and in person via field offices and itinerant service.	Number of choices	5 choices	5 choices
2. Offer service for the unemployment/sickness program by telephone, IVR, mail, personal computer and in person via field offices and itinerant service.	Number of choices	5 choices	5 choices
3. Customer feedback.	Surveys and reviews	Deferred	Deferred <u>4/</u>
<b>Performance Goal I-E: Ensure an efficient and effective reporting system for railroad employers.</b>			
1. Railroad employer reports filed on time.	% of reports filed on time	New indicator	New indicator
2. Railroad employer reports filed accurately.	% of reports filed without problems	New indicator	New indicator
3. Railroad employer reports of employees filed electronically, or on magnetic media.	% filed electronically, or on magnetic media	96.0% (Of employees)	96.0% (Of employees)
<b>Performance Goal I-F: Deliver service at the point-of-contact ("one and done").</b>			
1. Complete actual measurement of services provided at the point of contact. Develop action plans as needed to reduce the number of handoffs.	To be determined	Not applicable until fiscal year 2001	Not applicable until fiscal year 2001 <u>5/</u>

<b>Railroad Retirement Board Performance Goals, Indicators and Measures</b>	<b>Measure</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Estimate</b>
<b>Strategic Goal II: Safeguard Our Customers' Trust Funds Through Prudent Stewardship</b>			
<b>Performance Goal II-A: Ensure the integrity of benefit programs through comprehensive and integrated monitoring and prevention programs.</b>			
1. Maintain active wage matches with all 50 States to ensure the accuracy of benefit payments.	Number of States matching	50 States, Puerto Rico & Washington, D.C.	50 States, Puerto Rico & Washington, D.C.
2. Achieve a specified dollar return for each dollar spent on program integrity activities.	Recoveries and savings per dollar spent	\$4.69:\$1	\$3.60:\$1
3. Perform continuing disability reviews (medical). <u>6</u> /	Number performed	2,944	1,200
<b>Performance Goal II-B: Ensure efficient operations through effective management control and quality assurance programs.</b>			
1. Take prompt action to correct any material weaknesses.	% of action plan milestones accomplished	1 open at beginning of fiscal year	0 open at beginning of fiscal year
2. Submit to the President and Congress the Federal Managers' Financial Integrity Act Report by December 31 <sup>st</sup> each year.	Date report submitted	12/28/98	12/31/99
3. Resolve audit findings promptly.	Number of audit recommendations to put funds to better use that are not resolved in 6 months of report.	0 recommendations	0 recommendations
4. Take prompt corrective action on audit recommendations.	% of audit recommendations implemented by target date.	63.83%	65%
<b>Performance Goal II-C: Ensure that trust fund assets are projected, collected, recorded, and invested appropriately through an effective and efficient trust fund management program.</b>			
1. Railroad Retirement Account's market rate of return will exceed the Bloomberg index of Treasury notes and bonds with more than 1 year of maturity.	Yes or No	Yes	Yes
2. Debts will be collected through referrals to outside collection programs and a variety of other collection efforts.	Funds collected	\$60,399,419	\$55,200,000
3. Complete compensation reconciliations at least 1 year before the statute of limitations expires. (Compensation reconciliations involve a comparison of compensation reported by railroad employers to the RRB for benefit calculation purposes with compensation reported to the IRS for tax purposes.)	% completed	100% of the 1996 reconciliations completed on 02/12/99.	100% of the 1997 reconciliations were completed 02/29/00.
4. Perform reconciliations between the amount of taxes shown as paid on each railroad CT-1 (Employer's Annual Railroad Retirement Tax Return) filed with the IRS, and the amounts received and deposited in the RRB trust funds accounts.	% of dollars reconciled	New indicator	97%

<b>Railroad Retirement Board Performance Goals, Indicators and Measures</b>	<b>Measure</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Estimate</b>
<b>Performance Goal II-D: Align our resources using a performance approach based on contribution to mission.</b>			
1. Implement a methodology to determine unit cost of key production workloads.	Number of key workloads with unit cost information	1 workload	Deferred <u>Z/</u>
2. Set specific goals for unit costs of key workloads for years subsequent to implementation of new methodology.	Number of unit cost goals	1 workload	Deferred <u>Z/</u>
3. Achieve the target ratio of total administrative expenses to benefit outlays.	Ratio of expenses to outlays	\$1.02:\$100	Approx. \$1:\$100
<b>Performance Goal II-E: Use outside sources and partnerships, when appropriate, to accomplish our mission.</b>			
1. Partner with other government agencies or outside organizations to achieve our mission.	Number of partnerships	67	67
<b>Performance Goal II-F: Ensure that the RRB consistently pays the lowest price for products and services commensurate with quality, service, delivery and reliability.</b>			
1. The percentage of fiscal year dollars competitively obligated via simplified acquisition and contract procedures shall exceed the Government percent of procurement dollars awarded competitively as reported in the Federal Procurement Data System Reporting Manual, Federal Procurement Data Center.	% of funds awarded	Govt.: 63%	Will exceed Government percentage
		RRB: 87%	
2. 90 percent of purchase orders/contracts meet or exceed the purchase/contract delivery date.	% meeting or exceeding date	85.8%	90%
3. All solicitations include past performance as an evaluation factor. Each contract file will exhibit a formal determination and finding of contractor responsibility.	% meeting requirement	100%	100%
<b>Performance Goal II-G: Use, build and maintain a professional, productive, innovative and diverse workforce.</b>			
1. Individual performance appraisal plans for managers and supervisors contain elements that link to the agency's mission.	Yes or No	Yes	Yes
2. Solicit employee feedback on work environment to determine if it is discrimination-free and supports cooperation, empowerment, and mutual commitment.	Employee survey	Survey completed and final report issued.	None

<b>Railroad Retirement Board Performance Goals, Indicators and Measures</b>	<b>Measure</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Estimate</b>
<b>Strategic Goal III: Use Technology and Automation to Foster Fundamental Changes That Improve the Way We Do Business</b>			
<b>Performance Goal III-A: Develop a sound and integrated information technology architecture that will foster our long-term efforts to improve mission performance while operating with fewer resources.</b>			
1. Establish a formal information technology architecture planning function, by 09/30/01.	Yes or No	New indicator	New indicator
2. Develop an initial framework for information technology architecture, by 09/30/01.	Yes or No	New indicator	New indicator
<b>Performance Goal III-B: Design and implement information technology initiatives that fundamentally improve our efficiency and effectiveness in achieving the agency's mission.</b>			
1. Design and implement specific automation initiatives, as outlined in the Strategic IRM Plan and agreed to by the ADP Steering Committee. Examples of such initiatives include Document Imaging and Workflow System and Customer/Event-Initiated Transaction System.	Target dates to be established for each initiative.	New indicator	New indicator
<b>Performance Goal III-C: Ensure effective and efficient management of information technology resources.</b>			
1. Successfully implement major projects as specified in project plans, and project definition and requirements documents.	% completed and signed off by due date within no more than 10% of the estimated time frame.	New indicator	94%
2. Provide accurate cost estimates for major projects.	Total estimated cost ÷ total actual costs.	New indicator	± 10% of cost estimate
3. Computer operations satisfy service levels as specified in user service agreements.	Exception reports <u>8/</u>	Six	No more than 12

Endnotes

- 1/ We will reduce the average elapsed days to 150 by the end of fiscal year 2003.  
2/ We will set specific goals based on accumulated data by the end of fiscal year 2001.  
3/ A special study of initial award letters is underway. It will be completed in fiscal year 2001.  
4/ In fiscal year 2000, we are developing proposals for obtaining customer feedback on IVR. The survey itself will begin in fiscal year 2001.  
5/ We plan to review one major area each year.  
6/ We will establish a normal working balance in fiscal year 2001.  
7/ One workload each year for 5 years.  
8/ For example, incidents of system down times, unsuccessful batch operations, or other public situations.