U.S. Railroad Retirement Board

Strategic Plan 2026-2030

Table of Contents

Agency Overview

The Railroad Retirement Board (RRB) is an independent agency in the Executive branch of the Federal Government that administers benefits under the Railroad Retirement Act (RRA) and the Railroad Unemployment Insurance Act (RUIA). Under these laws, the RRB provides a wide range of benefits to rail workers and their families, including retirement, survivor, disability, unemployment, sickness, and vested dual benefits. Additionally, the RRB has administrative responsibilities under the Social Security Act for certain benefit payments and railroad worker Medicare coverage. The railroad industry is the vital backbone of the transportation system, and the RRB supports rail industry employers and employees by coordinating benefits across states and other benefit agencies, ensuring constituents receive continuity of benefits throughout the nation.

The RRB is led by three Board Members appointed by the President with the advice and consent of the Senate. The Labor Member is appointed from the recommendations of railroad labor organizations, the Management Member is appointed from the recommendations of railroad employers, and the Chairman is appointed to represent the public interest without recommendation by either employers or employees from the rail industry. The members serve staggered 5-year terms. The President also appoints an Inspector General for the RRB to provide independent oversight of the agency and its programs.

The RRB currently employs 698 employees who work in its Chicago headquarters and 53 field offices nationwide. Historically, the RRB's appropriated administrative budget has approximated one percent of total benefit payments and totaled $126 million in fiscal year 2025. By statute the RRB funds its benefit administration expenses, including benefit payments to the nation's railroad workers and their families as well as operating costs, from its trust fund system. The railroad retirement trust fund system is financed by the railroad industry and its employees, not general taxpayer dollars. As such, the funding of the agency does not impact the national deficit.

The railroad retirement system is solvent. The RRB's actuarial valuation published in October 2024 concluded that, barring a sudden, unanticipated large drop in railroad employment or substantial investment losses, the railroad retirement system with its automatically adjusting tier 2 tax rate mechanism (funded by employers) will experience no cash flow problems during the 75-year projection period.

Mission Statement

The RRB's mission is to administer retirement/survivor and unemployment/sickness insurance benefit programs for railroad workers and their families under the RRA and the RUIA. 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 our mission, the RRB will pay benefits to the right people, in the right amounts, in a timely manner, and will take appropriate action to 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.

Vision

In service to nation's railroad workers and their families, the RRB will administer the benefits programs as authorized under the RRA and RUIA in the most efficient and effective manner considering budgetary circumstances. To do so, we will focus available resources toward providing quality direct services, minimizing the risk of fraud, waste, and abuse to protect the railroad retirement trust fund system, and implementing cost effective technological solutions to enable efficient, effective, and timely direct services to the American citizens whom we serve.

Provides Valuable Service to America's Railroad Industry

The RRB serves the employees and employers of our nation's rail industry and their families. They include, for example, train and engine service employees, maintenance of way employees, dispatchers, signalmen, computer specialists, sales personnel, lawyers and accountants. They also include railroad employees who have retired based on age, their spouses and dependents, as well as younger beneficiaries who have retired based on disability, survivors of deceased employees or retirees, and employees who are not working because of layoffs, injuries, or illness. Employers include the nation's Class I freight railroads as well as more than 600 other employers, including short line regional railroads, Amtrak, certain commuter roads, railroad associations, and rail labor unions.

The railroad industry's contributions to the nation's transportation system cannot be overstated and, as the pandemic demonstrated, the nation's supply system relies heavily on the rails. Without the nation's rail freight and passenger employees, most of whom are covered under the railroad retirement system administered by the RRB, supply chains would grind to a halt. Therefore, rail employees and employers pay significantly higher payroll taxes and contributions, which support enhanced benefits to attract and retain a stable rail workforce.

Payroll taxes levied on covered rail employers and employees are the primary source of income supporting benefit payments under the RRA, and rail employer contributions wholly support benefits under the RUIA. During fiscal year 2024, and in accordance with the RRA and the RUIA, the RRB paid a total of $14.6 billion in benefits to the nation's railroad workers and their families. This included about $14.5 billion in retirement and survivor benefits to 483,000 beneficiaries, and $62.4 million in unemployment and sickness insurance benefits, net of recoveries, to some 16,000 claimants. Again, payroll taxes and contributions paid by railroad employees and employers are the primary funding sources for these benefits.

The RRB also administers various provisions of the Medicare program for rail workers and family members including the selection of a carrier to process Medicare Part B (Supplemental Medical Insurance) claims. In fiscal year 2024, the carrier paid almost $921 million to providers and beneficiaries for Part B services.

Coordination with Other Entities and Stakeholders

While the railroad retirement system has remained separate from the social security system, both systems are closely coordinated with regard to earnings credits, benefit payments, and taxes. In addition to the Social Security Administration (SSA), the RRB works closely with several other federal and state agencies on benefit administration, such as the Centers for Medicare & Medicaid Services (CMS), state employment security departments, and the Department of Labor. Other agencies with which the RRB interacts on a routine basis include

Office of Management and Budget (OMB), the U. S. Department of the Treasury, the Office of Personnel Management (OPM), and the General Services Administration (GSA). The RRB and the Board Members also provide information and testimony to Congress and its agencies, such as the Government Accountability Office (GAO).

Additionally, the RRB's stakeholders include organizations that represent rail labor, retirees, and rail employers. Examples of such organizations include the National Association of Retired and Veteran Railway Employees (NARVRE), the Association of American Railroads (AAR), and the American Short Line and Regional Railroad Association (ASLRRA). The RRB works closely with the National Railroad Retirement Investment Trust (NRRIT), which manages and invests railroad retirement system assets to ensure availability of cash to fund monthly benefit payments.

Strategic Priorities

This Strategic Plan has three priorities:

I.   Provide Excellent Direct Citizen Services.
II. Exercise Prudent Stewardship and Fiscal Responsibility to Protect the Railroad Retirement Trust Fund System Against Fraud, Waste, and Abuse.
III. Effectively Manage Existing Information Systems and Implement Technological Solutions to Enable Efficient Operations and High-Quality Sustainable Service Delivery.

Strategic Goal I – Provide Excellent Direct Citizen Services.

Our mission statement reflects our intention to pay benefits in a correct and timely manner. However, in addition to this focus on performance, we also aim to satisfy our constituents' expectations for high-quality service by providing a variety of delivery options and personalized attention. This includes expanded use of online, web-based services and a nationwide toll-free telephone number for inquiries and services. The RRB has developed the following objectives to meet this crucial goal.

Pay Benefits Timely.

The RRB publishes a Customer Service Plan that reflects our public service values: standards, openness, accessibility, accountability and feedback. To measure the success of our efforts to make timely payments, the RRB derives annual targets from timeliness standards covering initial retirement, survivor and disability decisions and payments, as well as unemployment and sickness insurance applications and claims as included in our Customer Service Plan. We revise our timeliness standards included in our Customer Service Plan and yearly targets, as necessary, considering projected workloads and available resources.

We track progress on these performance targets continuously and communicate the results of our efforts to our constituents and stakeholders annually through press releases, our Performance and Accountability Reports, and budget documents that are accessible on the agency's website (www.rrb.gov).

To facilitate timely payments the RRB informs constituents about actions they can take to ensure that they receive payments in a correct, timely manner when eligible for benefits. For example, some benefits are subject to reduction based on payments from another party, income thresholds, and life changes (*i.e., marriage, divorce, death, and children becoming adults*). We provide periodic reminders to railroad employees and their families that explain

their responsibilities to provide accurate and complete information as well as the requirement to notify us of changes in status. Receiving accurate, complete, and timely information from our constituents helps to reduce the risk of improper payments and improves benefit payment accuracy.

Similarly, information provided by rail employers is the basis for the benefits paid to employees and retirees. Therefore, we will continue to work closely with rail employers and provide training and assistance as necessary to ensure that they are aware of their reporting responsibilities to facilitate timely receipt of accurate railroad service and compensation reports.

Provide Effective and Efficient Service Delivery Options.

To achieve excellent direct citizens services, we must provide services in ways that are accessible and convenient to all constituents, including the elderly and those with impairments. Alongside our current telephone system, we have expanded the number of service delivery choices available through the Internet for those who prefer self-service online. As a complementary objective, we will identify and implement, if sufficient budgetary resources exist, technological solutions that will satisfy our constituents and improve the efficiency of our internal business processes as well.

The RRB's nationwide toll-free number (877-772-5772), first implemented during fiscal year 2009, continues to be a key component of our plan because it provides us with the ability to dynamically route phone calls among our offices based on logical business rules and constituent needs. Recently, we added skills-based routing functionality to the toll-free service, which allows the agency to route inquiries to staff knowledgeable on the subject matter to facilitate effective and efficient service delivery and utilize new employees while still in training. During this planning period, we will consider other available options to expand the functionality and services offered through the toll-free number.

As the face of the agency in railroad communities across the country, the RRB's 53 field offices play a critical role in delivering personalized, in-person service to the railroad workers and families we serve. These public-facing offices not only respond to inquiries through the nationwide toll-free number but also provide essential one-on-one support, helping constituents navigate complex federal benefit programs with clarity and care. The RRB remains committed to maintaining and strengthening this in-person service model, recognizing its value in building trust, resolving complex issues, offering critical pre-benefit counselling, and ensuring access to those who prefer face-to-face interaction or may not be proficient with digital tools.

During this coverage period the RRB will complete its Technology Modernization Fund (TMF) Citizen Centric On-Line Self-Services (CCOSS) project through which we will add new self-service options to our website, including the ability for individuals to update personal information such as changes to their mailing address or direct deposit account. Additionally, under the CCOSS project we will provide railroad employees' the ability to file sickness applications, similar to employees' current ability to file unemployment claims, and submit supporting documentation online. Further, railroad employees will also be able to view the status of their sickness applications online. The RRB will use lessons learned from the CCOSS project to develop more critically needed online self-service options for the railroad community.

The RRB will continue to make improvements to its Employer Reporting System (ERS) to enhance the amount of railroad compensation, employment, and service information that an increasing number of railroad employers can provide to the RRB swiftly through electronic

methods. ERS enhancements will streamline the employer reporting process by consolidating or reducing the number of forms to be submitted and providing links to allow employers to receive certain bills and recover payments through Treasury's Pay.gov website.

A component of our performance under this objective will be measured by the number of new delivery options and access points we offer during the coverage period, formal surveys and informal feedback, and utilization of online services.

Strategic Goal II – Exercise Prudent Stewardship and Fiscal Responsibility to Protect the Railroad Retirement Trust Fund System Against Fraud, Waste, and Abuse.

By statute the RRB funds its benefit administration expenses, including benefit payments to the nation's railroad workers and their families as well as its operating costs, from the railroad retirement trust fund system. The railroad retirement trust fund system is financed by the railroad industry and its employees. It must be protected from fraud, waste and abuse. The RRB remains committed to exercising prudent stewardship, fulfilling its fiduciary responsibilities to the railroad community, sustaining financial integrity, and improving operational efficiency. To the extent possible considering budgetary circumstances and resource constraints, we will operate the agency in an effective and efficient manner by working collaboratively with auditors and implementing audit recommendations, policies, procedures, and internal controls that seek to substantially minimize the risk of fraud, waste, and abuse of the railroad retirement trust fund system assets and agency resources. The RRB has developed the following objectives to meet this goal.

Effectively Manage the Railroad Retirement System Trust Funds.

The RRB is committed to the judicious management of the railroad retirement trust fund system. We will monitor our efforts toward this objective through annual audited financial statements, actuarial valuations, financial projections, benefit payment accuracy, debt collection, experience-based contribution rates, and payroll tax and railroad employee compensation reconciliations. To accomplish this objective, we will:

- Monitor financial statement audit results and implement cost effective improvements as necessary.
- Make concerted efforts to close audit recommendations timely as resources allow.
- Monitor the solvency of the trust funds through a sound program of actuarial valuations and financial projections.
- Correctly estimate the amounts needed for future benefit payments.
- Coordinate with the U. S. Department of Treasury to ensure that payroll tax collections are properly recorded.
- Issue accurate, timely determinations and notices of contribution rates required under the unemployment and sickness insurance program.
- Carry out the RRB's debt collection policy.

Ensure the Accuracy and Integrity of Benefit Programs.

The RRB is committed to paying the right benefits to the right people and has implemented measures to track the accuracy of processing actions under both the RRA and the RUIA. The principal indicators of accuracy are the benefit payment accuracy rates in each program, which measure the percentage of dollars paid out correctly. Our performance goal is to ensure that

we continue to meet or exceed 99 percent payment accuracy in the payments initiated or manually adjusted in a given year. To accomplish this objective, we will:

Monitor Payment Accuracy and Improper Payments and, as Appropriate, Take Preventive Action.

Under the Payment Integrity Information Act of 2019 (PIIA), the RRB reviews and reports on the dollar amount of erroneous payments and engages in activities to reduce them. Since improper payment reporting began, the amounts attributable to the RRB's two benefit programs (the RRA and the RUIA) have consistently fallen below the statutory thresholds for "significant improper payments" under the PIIA.

Maintain Established Matching Programs.

Further, as a part of our fiduciary responsibilities to the rail community, we match our benefit payments against the Social Security Administration's earnings and benefits database, the Centers for Medicare & Medicaid Services' death records, the Treasury's Do Not Pay Portal for the SSA death records, the Office of Personnel Management's benefit records, and state wage reports exclusively via secure electronic transmissions. Additionally, we will continue referring potential improper payment cases to the RRB's Office of Inspector General (OIG) for investigation. After investigation, the Inspector General may pursue more aggressive actions, which include civil and criminal prosecution.

Continue Effective Program Integrity Efforts.

We measure the effectiveness of the program integrity efforts each year by comparing the dollars identified as RRA and RUIA debts and benefits saved through these program integrity initiatives to their total labor cost. Based upon the most recent information available, in fiscal year 2024, the RRB invested the equivalent of about 20 full-time employees, at a cost of approximately $2.5 million, in program integrity efforts. This resulted in $16.2 million in recoverable benefits, $727,032 in benefits saved, and the referral of 194 cases to the OIG for investigation, with an end result of approximately $6.68 in savings for each $1.00 invested in these activities.

Reduce Case Backlogs to Improve Benefit Payment Accuracy.

Also impacting benefit payment accuracy is the ability to timely process post award annuity adjustments. Due to insufficient staffing resources, the RRB is currently experiencing a high volume of pending annuity adjustment actions where benefit payment changes are due for currently entitled retirement, survivor and disability beneficiaries. We will develop backlog reduction targets and report on our progress in the RRB's annual performance plan as included in the agency's official budget documents and Performance and Accountability Reports. The backlog reduction targets will be reevaluated and revised each fiscal year until the pending annuity adjustment workloads are complete.

Implement the Federal Merit Hiring Plan

In accordance with Executive Order 14170, *Reforming the Federal Hiring Process and Restoring Merit to Government Service* and the *Merit Hiring Plan* (MHP), issued by OMB on May 29, 2025, the RRB will strive to implement the key elements of the Federal Merit Hiring Plan. By doing so, the RRB's recruitment and hiring processes will become more efficient and focused on serving the nation's railroad workers and their families through hiring based on merit, practical skill, and dedication to our Constitution. Accordingly, the RRB has developed an MHP Action Plan and will continue to report its monthly progress toward achieving success measures aligned to each MHP action item for implementation purposes.

Effectively Carry Out Responsibilities with Respect to the NRRIT.

The National Railroad Retirement Investment Trust (NRRIT) was created by the Railroad Retirement and Survivors' Improvement Act of 2001 to oversee investment of the railroad retirement trust funds. While the RRB no longer manages investment of trust fund monies, it continues to have responsibilities in ensuring that the NRRIT, and its seven-member Board of Trustees, comply with the provisions of the RRA, as amended by the Railroad Retirement and Survivors' Improvement Act of 2001. We fulfill these obligations through periodic meetings between the RRB's three-member Board and the NRRIT's trustees, more frequent meetings between the agency's General Counsel, Chief Financial Officer, Chief Actuary, and NRRIT officials, and review of monthly, quarterly, and annual reports submitted by the NRRIT, including the audit reports on the NRRIT's annual financial statements. The RRB has the authority to bring civil action should these reviews indicate any violation of the RRA. We also post information about the NRRIT and its activities on the agency's website for stakeholders and other interested parties.

Rightsizing the Agency's Real Estate Footprint.

The General Services Administration (GSA) identified the William O. Lipinski federal building (*the RRB's headquarters (HQ) since 1943*) for accelerated disposition and plans to relocate the RRB's HQ to privately leased space in the Chicago, Illinois area. The RRB will engage with GSA to plan and design a new HQ facility that meets current occupancy requirements while ensuring critical direct to citizen services are fully supported from the HQ location. Also, GSA terminated the privately leased space for the RRB's Washington, D.C.-based Office of Legislative Affairs (OLA). The RRB is working with GSA to relocate the OLA operations and will occupy recently vacated, federally-owned office space in Washington D.C. This move will take advantage of the RRB's rent discount, as the RRB is a trust fund agency, based upon square footage occupied in federal space. Finally, the RRB maintains an additional 53 public-facing field office locations nationwide in a mix of federal and commercially leased space. The proposed movement of RRB's HQ to commercially leased space is likely to substantially increase the agency's long-term rent cost due to the loss of the Lipinski building's substantial federal square footage. The RRB will continue to collaborate with GSA to identify suitable cost-effective space options that balance our need to recruit and retain qualified employees for all locations.

Strategic Goal III –Effectively Manage Existing Information Systems and Implement Technological Solutions to Enable Efficient Operations and High-Quality Sustainable Service Delivery.

This strategic goal is led by the RRB's Bureau of Information Services (BIS) who has seen staff levels decline by approximately 50% since 2019. This loss of institutional knowledge has hindered our ability to manage daily operations and stalled modernization efforts. Accordingly, the following objectives seek to help the agency effectively prioritize the efforts of its limited staff to continue paying RRA and RUIA benefits to the American rail employees and their families, as well as make progress toward Presidential priorities working within severe budgetary constraints.

Effectively Manage the RRB's Hybrid IT Environment.

The RRB has been successful in stabilizing its infrastructure, as evidenced by RRB's cloud presences, modernized commercial productivity applications, and transition to Enterprise

Infrastructure Solutions (EIS) contracts for enterprise telecommunications and data networks. However, forward progress has slowed substantially, except for the TMF CCOSS project discussed earlier. Due to budgetary constraints, the RRB lacks sufficient funding to acquire the federal and contracted resources to rationalize and reduce the footprint in the cloud from 200+ applications written in the antiquated Common Business-Oriented Language (COBOL) and streamline core mission business processes. Therefore, the RRB continues to operate in this hybrid environment where it now must allocate staffing and funding resources to sustain both the critical information systems and applications written in an antiquated programming language as well as the modernized components. Additionally, the RRB must manage hardware and software that have reached, or will soon reach, end-of-life support to ensure continuity of operations. Irrespective of persistent budgetary constraints, the RRB must continue to pay benefits to the nation's railroad workers and their families and, therefore, will develop a plan that strives to balance operational risks with funding limitations and includes specific milestones, projects, and other measures as appropriate to facilitate prioritized resource allocation to sustain core mission operations in this hybrid environment.

Identify and Pursue Technological Solutions to Minimize Long-Term Operational Risks and Enable Efficient Service Delivery.

To reduce the operational risks associated with continued reliance on COBOL programing language, the RRB will develop an iterative plan that considers available budgetary resources to transition to a Low-Code No-Code (LCNC) platform consistent with President Trump's directives, as outlined in Executive Order 14243, *Stopping Waste, Fraud, and Abuse by Eliminating Information Silos.* A LCNC platform will have an immediate impact to our constituents: 675,000+ U.S. railroad employees and beneficiaries. A LCNC platform is a software development approach that enables the creation of applications with minimal or no coding required. These methods leverage visual interfaces, drag-and-drop tools, and pre-built components to simplify the development process, making it accessible to non-developers and reducing the workload for professional developers. Additionally, a LCNC platform offers a consolidated data model that will enable rapid application deployment as well as improved cross-agency data sharing, collaboration and reporting, consistent with the intent of EO 14243.

Once implemented, a LCNC platform will provide a new, integrated online "dashboard" for railroad employees that will provide an individual a glimpse into their consolidated customer record while simultaneously allowing RRB mission-support teams the same customer views. This platform will allow the RRB to create a visually appealing and comprehensive view for both the customer and staff, similar to commercial offerings from banks, real estate professionals, and other online service providers. The data-elements displayed on this online dashboard initially will be yearly earnings, tax withholdings, and retirement accruals with more data elements added over time.

Once operational, the RRB will integrate more benefit streams, using lessons-learned, and expanding our ability to provide benefits to our customers through the dashboard and modernized systems built to support the mission of the RRB. By providing the ability to directly make requests, apply for benefits and change their information as needed, our nation's railroad workers and their families will have the flexibility to interact with the RRB without visiting an office or calling the toll-free line, resulting in more efficient agency processes and reduced staff involvement.

The first measure of performance will be the development of a comprehensive plan to transition the RRB from COBOL to a LCNC platform, to include, as appropriate, milestones and timelines. Once the plan has been approved by agency leadership and then the three-

member Board, the RRB will create performance measures associated with implementation of the plan at both the milestone and supporting project levels.

Explore Use of Artificial Intelligence (AI) to Increase the Efficiency and Cost Effectiveness of RRB Operations.

Consistent with Executive Order 14179, *Removing Barriers to American Leadership in Artificial Intelligence*, and the OMB implementing memorandum, *Accelerating Federal Use of AI through Innovation, Governance, and Public Trust* (M-25-21), issued on April 3, 2025, the RRB will lean forward and explore use of effective, mission-enabling AI to benefit the nation's railroad workers and their families. The RRB's leadership will learn about available AI tools as well as how other government organizations are using AI and ensuring secure information systems.

In addition, the RRB will implement an internal AI pilot (i.e., Simple Chat) to identify business use cases that will help tailor the RRB's approach for moving forward. The RRB's Simple Chat Application is a secure and user-friendly online tool that runs in our private environment and helps people talk to smart AI models using information from their own documents. It lets employees upload individual or shared documents, which are then turned into useful data that makes conversations more relevant and accurate. Employees can use it for individual projects or group work, and it ensures that everything is kept secure with RRB's existing strict access controls. The BIS team will be gathering and developing business use cases through the Simple Chat pilot, and perhaps others to come, to track and assess the viability of AI to improve the effectiveness and efficiency of operations going forward.

Effectively Secure the RRB's Information Systems.

We will continue our progress to implement Zero Trust goals in accordance with Executive Order 14028, *Improving the Nation's Cybersecurity,* as we must safeguard our constituents' privacy and enable them to conduct business with the RRB in a secure environment. We continually make notable progress in strengthening and improving computer security by following the Federal Information System Management Act (FISMA) guidelines for identifying and resolving risks associated with our agency information systems. We will continue to develop risk assessments, perform management control reviews, and conduct periodic vulnerability assessments on informational assets, and enhance staff training on information technology security, while deploying advanced security technologies to protect against physical and cyber-security threats.

Our partnership with the Department of Homeland Security (DHS) in the Continuous Diagnostic and Mitigation (CDM) program will further improve our information security program pertaining to vulnerability assessment, hardware and software management, configuration management, and privileged account management. We continue to manage the risk of the critical infrastructure considering asset management, remote access, identity management, and network protection. Specifically:

- Asset Management: The RRB has enrolled in the DHS CDM Continuous Monitoring as a Service (CMaaS) initiative. This service enhances our visibility into hardware and software inventories and supports the automatic detection of unauthorized assets across the enterprise. This proactive approach enables rapid identification and remediation of unapproved devices and applications, ensuring improved oversight and control. (Supports Zero Trust Goal – Devices)
- Identity Management: To enforce strong authentication and access control, the RRB requires multi-factor authentication (MFA) for all privileged and general users. (Supports Zero Trust Goal – Identity)

- Remote Access: The agency has implemented managed encryption services for endpoint devices and has upgraded network firewalls to enhance protections for remote connectivity. Access to internal systems from external networks is secured using a Virtual Private Network (VPN), aligned with best practices for secure remote access.

- Network Protection: As part of CMaaS, we will further improve the Defense in Depth configuration in place, namely the Intrusion Prevention System (IPS), Network Access Control (NAC), and the Security Information and Event Management (SIEM). These integrated technologies provide comprehensive monitoring and threat detection across our network infrastructure. Additionally, the RRB is participating in the CDM Agency-Level Network Protection (ANP) initiative, which includes the deployment of Zscaler services to secure and inspect network traffic at the enterprise perimeter. Furthermore, the RRB has architected and designed the RRB Zero Trust Architecture plan through consultation, business value assessment, and architectural workshops. (Supports Zero Trust Goal – Networks)

Most Critical External Risk: Insufficient Budget

The RRB's annual appropriated administrative budget is the single most important risk factor to our success in meeting our strategic goals. To that end, we developed the strategic goals and objectives discussed in this plan under the assumption that the RRB's appropriated administrative budget will likely remain tight with the agency operating under severe budgetary constraints, at least for most of the coverage period. That said, the RRB has suffered greatly due to relatively stagnant budgets since fiscal year 2017.
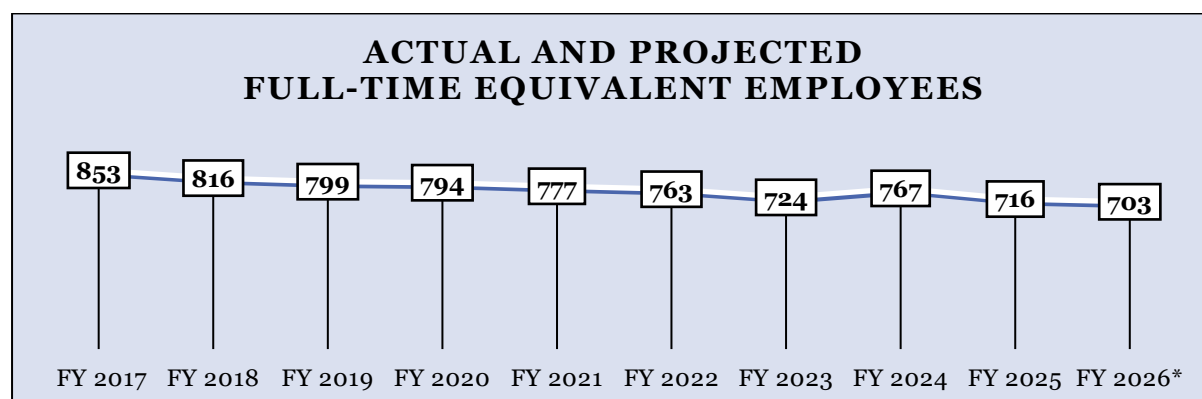
The following table shows the RRB's annual enacted appropriation for fiscal years 2017 through 2025 and projected appropriation based upon the President's Budget Request for fiscal year 2026. Note that the RRB received information technology modernization funds beginning in fiscal year 2018 through fiscal year 2021 as a part of its annual appropriation.

ENACTED AND PROJECTED APPROPRIATIONS (IN MILLIONS)

FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026*
$113.5	$123.5	$123.5	$123.5	$123.5	$124.0	$128.0	$126.0	$126.0	$126.0
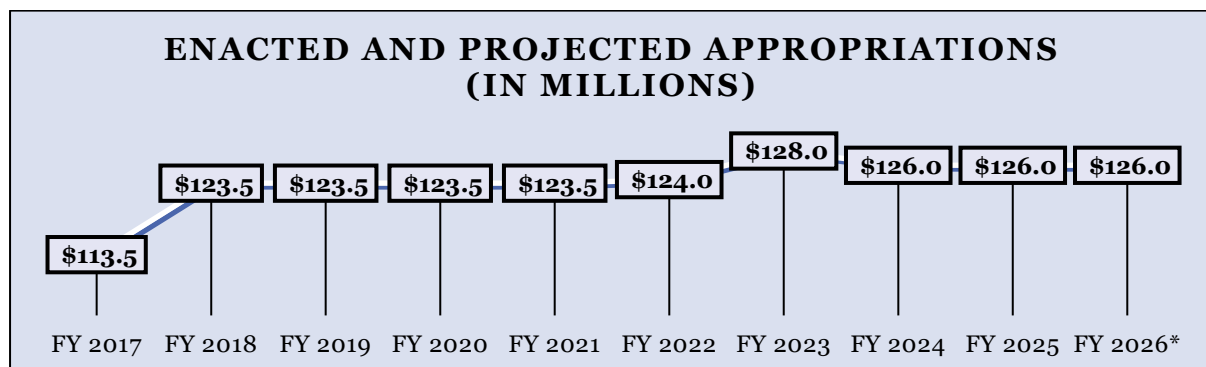
Projected based upon the President's Budget Request for fiscal year 2026.

Stagnant budgets, compounded by the necessity to absorb unfunded pay increases, have led to a nearly 18% decline in staffing, from 853 in fiscal year 2017 to a projected 703 for fiscal year 2026 if the RRB's budget remains flat. The following table summarizes the RRB's Actual Full-Time Equivalent Employees as reported in the RRB's Congressional Justification for each

fiscal year and as projected for fiscal year 2026, if the RRB's administrative budget remains flat at $126 million.[1]

**ACTUAL AND PROJECTED
FULL-TIME EQUIVALENT EMPLOYEES**

| 853 | 816 | 799 | 794 | 777 | 763 | 724 | 767 | 716 | 703 |

FY 2017 · FY 2018 · FY 2019 · FY 2020 · FY 2021 · FY 2022 · FY 2023 · FY 2024 · FY 2025 · FY 2026*

* Projected based upon the President's Budget Request for fiscal year 2026.

Flat budgets coupled with the rising cost of employees as well as the operations and maintenance cost of the RRB's information systems have prevented the backfilling of many positions leading to a lack of sufficient staff numbers for critical functions, overburdened staff and/or loss of institutional knowledge such that remaining staff cannot efficiently perform statutorily required tasks. Additionally, this has forced the RRB to allocate limited human resources to certain agency goals at the expense of others (e.g., initial benefit applications and payment vs. post entitlement actions). Overburdened staff, outdated technology for mission critical functions, and limited resources have hindered the RRB's ability to consistently deliver high quality direct citizen services. Further, the RRB is facing significant attrition risk during the period covered by this strategic plan, fiscal year 2026 through 2030, that will further erode our institutional knowledge and technical skills and abilities as well as hinder our progress toward the strategic goals and objectives discussed in this plan.

The following table shows the RRB's overall attrition risk due to retirements where nearly one-third or 32% of the RRB's most knowledgeable employees could retire immediately or sometime between fiscal year 2026 through fiscal year 2030. Specifically, as of July 31, 2025, the RRB's employee headcount was 698 with 22% or 157 employees retirement eligible and another 10% or 69 employees becoming retirement eligible during the coverage period.

Retirement Eligibility	Employee Count	Employees Eligible Now	Retirement Eligibility	Employees Eligible FY26-FY30	Retirement Eligibility
Railroad Retirement Board	**698**	**157**	**22%**	**69**	**10%**
Bureau of Actuary & Research	20	8	40%	2	10%
Bureau of Fiscal Operations	54	11	20%	8	15%
Bureau of Information Services	72	25	35%	10	14%
Bureau of Field Service	210	29	14%	20	10%
Office of Administration	57	17	30%	4	7%
Office of General Counsel	28	11	39%	2	7%
Office of Programs	240	50	21%	19	8%
Office of Equal Opportunity	2	0	0%	1	50%
Board Offices	15	6	40%	3	20%

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[1] Railroad Retirement Board, *Justification of Budget Estimates Fiscal Year 2026*, June 24, 2025, Page 30.

Key External Risks

The RRB recognizes that there are several key external risks which could affect the achievement of our strategic goals and associated objectives. These include the factors shown below, along with an assessment of their probability and potential impact/response.

Risk	Strategic Goal(s) I, II, or III	Likelihood	Potential Impact/Response
Significant administrative budget reduction.	I, II, and III	Possible.	The Annual Performance Plan will reflect the impact of funding reductions on these goals. See also discussion above "Most Critical External Risk: Insufficient Budget."
Sudden, unanticipated and significant declines in railroad employment levels.	I, II, and III	Possible. Payroll taxes are the primary source of financing for railroad retirement benefits.	The RRB's actuarial valuation published in October 2024 concluded that, barring a sudden, unanticipated large drop in railroad employment or substantial investment losses, the railroad retirement system with its automatically adjusting tier 2 tax rate mechanism (funded by employers) will experience no cash flow problems during the 75-year projection period. The railroad retirement system is solvent.
Major program-related legislative changes.	I, II, and III	Possible.	The impact of any legislative changes on the strategic goals would have to be fully assessed.
Major mission-related or structural legislative changes.	I and II	Unlikely. There have not been any proposals to change the structure of the agency introduced into Congress for several years.	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. Legislative changes to the Social Security Act will continue to impact the RRB.
Lack of interagency cooperation or support for key operations (e. g., SSA's wage and data exchange, and the Treasury's tax collections).	I and II	Possible. As other agencies find themselves operating with fewer resources, there is a possibility that their reductions could 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.
Loss of rail community's confidence in the RRB's service delivery capability.	I	Possible. If service degradation is unexplained.	We will continue frequent and transparent communication with the rail community whom we serve and convey the impact of sustained budgetary constraints on our service delivery capabilities. Also, we continue maximizing efficiencies to the extent possible within our resources constrained environment.

Program Evaluations

In addition to specific performance measures that the RRB developed to track progress toward each strategic goal—where the results are reported in its annual performance plan consistent with the requirements on Government Performance and Results Act (GPRA) Modernization Act of 2010—the RRB considers the results of numerous program evaluations to also assess its progress toward achieving its strategic goals. The most important of these program evaluations are summarized below:

Program Evaluation	Methodology/Scope	Issues Addressed	Schedule
Federal Managers' Financial Integrity Act (Management Control Review Program)	Analytical/RRB administration.	Adequacy of internal controls.	Annual
Actuarial Valuation	Actuarial/75-year financial projection.	Railroad Retirement Act (RRA) revenue/ expense projections.	Triennial
Actuarial Status Report of Railroad Retirement System	Actuarial/25-year financial projection.	RRA revenue/expense projections.	Annual
Actuarial Status Report of Railroad Unemployment Insurance System	Actuarial/11-year financial projection.	Railroad Unemployment Insurance Act (RUIA) revenue/expense projections.	Annual
Customer service performance reports	Analytical/RRA and RUIA benefit programs.	Customer service/ timeliness of benefits.	Annual
Quality Assurance Reports	Statistical sampling of RRA, RUIA benefits.	Accuracy.	Annual
A variety of client satisfaction surveys and feedback	Statistical evaluations (e.g., ACSI); comment cards/meetings with groups of RRB beneficiaries.	Client satisfaction with RRB services/need to change standards or update customer service plan.	Periodic
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/efficiency of agency operations.	Periodic

Program Evaluation	Methodology/Scope	Issues Addressed	Schedule
Program Integrity Report	Compilation of program integrity results.	Effectiveness of various matching/monitoring activities related to benefit payments.	Annual
Budget Execution Continuous Monitoring	Longitudinal study/key agency performance goals.	Stewardship and Fiscal Responsibility.	Ongoing
Variety of special studies	Special studies/benefit program administration.	Quality, timeliness, efficiency and effectiveness of processes within benefit program administration.	Periodic (on demand)
Enterprise Architecture assessment	Analytical/samples and audits.	Effectiveness of existing architecture.	Annual
Computer security and privacy assessment	Internal and/or external assessments, audits, and evaluations.	Adequacy of internal and external controls impacting computer access, vulnerabilities and overall security.	Annual, quarterly updates
Report on electronic government (E-Gov) activities	Evaluate the implementation status of the E-Gov Act.	Agency-specific E-Gov initiatives and agency information available on the Internet.	Annual
Improper payments evaluation	Analytical assessment of RRA and RUIA payments.	Determination of the level of improper payments and amounts recovered and assessed under the Payment Integrity Information Act (PIIA) of 2019.	Annual
Occupational disability program	Assessment by the agency's Occupational Disability Advisory Committee; in-depth data reviews conducted to identify any potential program vulnerabilities.	Accuracy and validity of the disability decision-making process.	Periodic/ ongoing

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.

- The mission of the RRB will not change during this coverage period.

- The RRB will continue as an independent agency in the executive branch of the Federal Government.

- The Railroad Retirement Trust Fund System will not experience any funding crises during this period.

- The railroad community will continue to expect and deserve excellent direct citizen service.

- Budgetary resources will remain tight during the coverage period.

- Budgetary and staffing resources will be necessary to manage existing information systems written in COBOL programming language to maintain current operations.

- Technological improvements will be necessary for the RRB to achieve long-term operational efficiency and service delivery goals.

- The RRB's public facing service delivery will continue through a structure of field offices.

- Over the long term, unemployment and sickness workloads may remain stable or decline slightly due to average railroad employment levels. The table below shows average railroad employment starting in calendar year 2017 and includes actuarial estimates for calendar years 2025 and 2026, as reported in the RRB's Justification of Budget Estimates for fiscal year 2026.
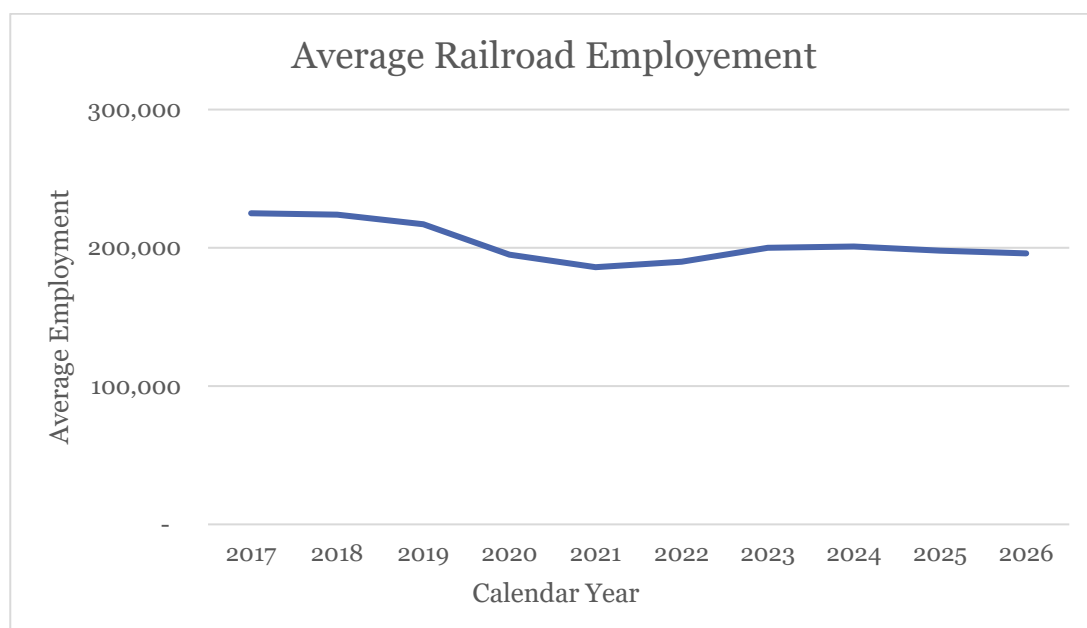
- Retirement and survivor workloads may decline corresponding to projected declines in the average total number of annuitants, but reductions will be offset by increased post award adjustment backlogs caused by insufficient staffing levels.
- A large number of experienced employees will retire during the coverage period, resulting in a significant loss of institutional knowledge and business expertise.
- Legislative amendments will continue to be made and may affect both processing and operational workloads.

Conclusion

This Strategic Plan expresses the agency's commitment to providing the best possible direct citizen service, prudent stewardship, fiscal responsibility, and accountability to the nation's railroad community whom we serve. While we are committed to the strategic goals and objectives herein, the RRB's progress will be stalled if the agency's budget remains stagnant or is reduced.

To progress toward achieving our strategic goals, the RRB sets annual performance goals derived from its strategic goals and designed to make continual, measurable progress on our objectives during each budget year. Our annual performance plan complies with the GPRA Modernization Act of 2010 and the requirements of OMB Circular A-11, *Preparation, Submission, And Execution of the Budget,* and is submitted along with the agency's budget requests. We will continuously monitor our performance and transparently report results.

We will update this Strategic Plan as needed or in accordance with guidance from OMB. This plan is available on our website at www.rrb.gov.