



# **Annual Report**

**for FY 2025**

**June 15, 2026**

## Foreword

In accordance with § 1206 of Title 5, United States Code (U.S.C.), the U.S. Merit Systems Protection Board (MSPB) submits this Annual Report (AR) on its significant actions during fiscal year (FY) 2025.

Information about MSPB's FY 2025 program performance results (as required under the Government Performance and Results Act Modernization Act of 2010 (GPRAMA)) are available in the [Annual Performance Report \(APR\) FY 2025](#). Financial accountability and audit information is included in MSPB's [Annual Financial Report \(AFR\) for FY 2025](#). MSPB's ARs, AFRs, and GPRAMA documents are posted on the [Plans, Budget & Performance](#) page on MSPB's website when they are released.

Go to [www.mspb.gov](http://www.mspb.gov) to learn more about MSPB's work, sign up for MSPB's adjudication or studies listservs, or follow us on X (formerly Twitter) [@USMSPB](#) and [LinkedIn](#).

We invite customers and stakeholders to send comments to improve MSPB's ARs to:

Leslie Horne  
Performance Improvement Officer (PIO)  
U.S. Merit Systems Protection Board  
1615 M Street, NW  
Washington, DC 20419  
Email: [mspb@mspb.gov](mailto:mspb@mspb.gov) (to the attention of the PIO)  
Toll Free: 1-800-209-8960  
Fax: 202-653-7130

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# U.S. MERIT SYSTEMS PROTECTION BOARD FISCAL YEAR 2025 ANNUAL REPORT

## MESSAGE FROM THE ACTING CHAIRMAN

I am pleased to submit MSPB's Annual Report for FY 2025. In October of 2025, MSPB welcomed James J. Woodruff II as a Member of the Board, further strengthening the agency's leadership as we continued our work to protect merit system principles and promote an effective Federal workforce free of prohibited personnel practices.

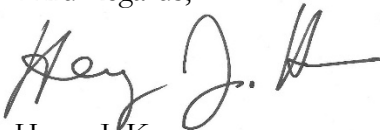
In FY 2025, MSPB experienced a significant increase in appeals, particularly those involving probationary terminations and reductions in force. This surge in case filings placed substantial demands on the agency's adjudicatory resources and significantly increased the number of cases assigned to administrative judges in the regional and field offices. Even so, MSPB continued to carry out its mission by adjudicating a high volume of cases and providing timely guidance through its decisions. During FY 2025, MSPB's regional and field offices decided 9,664 cases, including appeals, addendum cases, and stay requests. In addition, the Board and administrative law judges issued 506 decisions, for a total of 10,177 decisions agency wide. Detailed case processing statistics for matters decided in the regional and field offices and at Headquarters are provided in the "Fiscal Year 2025 in Review" section of this report.

MSPB also remained actively engaged with Congress during FY 2025. Agency staff conducted numerous briefings for congressional staff, responded to inquiries from Members of Congress, and provided required quarterly and annual reports on MSPB activities. MSPB staff also supported the confirmation process for Member Woodruff and responded to more than 170 constituent casework inquiries. These legislative and congressional relations activities helped ensure that Congress remained informed about MSPB's adjudicatory workload, resource needs, and statutory responsibilities.

This report also highlights significant decisions issued by the Board and summarizes important court opinions from FY 2025. In addition, the section on the "Review of the U.S. Office of Personnel Management's Significant Actions" discusses several key policy developments and their implications for the merit system.

Looking ahead, MSPB remains firmly committed to fulfilling its statutory responsibilities and to ensuring that the Federal merit system continues to serve employees, agencies, and the public effectively. I am deeply grateful for the dedication and professionalism of MSPB's employees, whose efforts make this work possible.

Kind Regards,



Henry J. Kerner  
Acting Chairman  
June 15, 2026

## INTRODUCTION

The U.S. Merit Systems Protection Board (MSPB) is an independent, quasi-judicial agency whose mission is to protect the Merit System Principles and promote an effective Federal workforce free of Prohibited Personnel Practices. MSPB carries out this mission by adjudicating appeals and other matters within its jurisdiction, by issuing decisions that provide guidance to the Federal workforce and agencies, and by reporting on merit system issues that affect the integrity and effectiveness of Federal personnel management.

In accordance with 5 U.S.C. § 1206, MSPB submits this Annual Report describing significant actions during fiscal year (FY) 2025. The Annual Report complements MSPB's Annual Performance Report and Annual Financial Report by focusing on the Board's adjudicatory activity, selected significant decisions and court opinions, and MSPB's oversight role in reviewing the rules, regulations, and significant actions of the U.S. Office of Personnel Management (OPM) for consistency with the merit system.

In FY 2025, 9,664 cases were decided in the RO/FOs, including addendum cases and stay requests, and ALJs issued 11 decisions. Between October 1, 2024, and September 30, 2025, the Board at HQ decided 494 cases. Statistical information on MSPB's case processing activity for the Region Offices/Field Offices (RO/FOs) and at Headquarters (HQ) is provided in the section Fiscal Year 2025 In Review.

In FY 2025, MSPB published 2 research briefs, 4 infographics, 1 data set, and 1 data documentation. In addition to these documents, the Office of Policy and Evaluation conducted reviews of 8 significant actions from the Office of Personnel Management (OPM). A summary of these reviews can be found in the Review of the U.S. Office of Personnel Management's Significant Actions section of this document.

## FISCAL YEAR 2025 IN REVIEW

### Summary of Cases Decided by MSPB

Table 1: FY 2025 Summary of Cases Decided By MSPB

| Cases Decided in MSPB Regional and Field Offices   |               |
|--|---------------|
| Appeals  | 9,048         |
| Addendum Cases <sup>1</sup>  | 569           |
| Stay Requests <sup>2</sup>   | 47            |
| <b>TOTAL Cases Decided in RO/FOs</b>   | <b>9,664</b>  |
| <b>Cases Decided by Administrative Law Judges (ALJs) - Original Jurisdiction<sup>3</sup></b> | <b>12</b>     |
| Cases Decided by the Board   |               |
| Appellate Jurisdiction:  |               |
| Petitions for Review (PFRs) - Appeals  | 396           |
| PFRs - Addendum Cases  | 50            |
| Requests for Stay of Board Order   | 1             |
| Reopenings   | 1             |
| Court Remands  | 3             |
| Compliance Referrals   | 23            |
| Equal Employment Opportunity Commission Non-concurrence Cases                                | 0             |
| Arbitration Cases  | 8             |
| <b>Subtotal - Appellate Jurisdiction</b>   | <b>482</b>    |
| Original Jurisdiction <sup>4</sup>   | 11            |
| Interlocutory Appeals  | 1             |
| <b>TOTAL Cases Decided by the Board</b>  | <b>494</b>    |
| <b>TOTAL Decisions (Board, ALJs, RO/FOs)</b>   | <b>10,177</b> |

<sup>1</sup> Includes 112 requests for attorney fees, 253 Board remand cases, 136 compliance cases, 20 court remand cases, 42 requests for compensatory damages, and 6 requests for consequential damages.

<sup>2</sup> Includes 28 stay requests in whistleblower cases and 19 in non-whistleblower cases.

<sup>3</sup> Initial Decisions by ALJs. Case type breakdown: 4 disciplinary action - Hatch Act cases, 1 action against SES case, and 7 actions against ALJs.

<sup>4</sup> Final Board Decisions. Case Type Breakdown: 10 requests for stay (OSC Filed) and 1 Disciplinary Action – Hatch Act.

## Cases Processed in the Regional and Field Offices

Table 2: Disposition of Appeals Decided in the Regional and Field Offices, by Type of Case

| Type of Case                                       | Decided      |             | Dismissed    |            | Settled     |            | Adjudicated |  |
|--|--------------|-------------|--------------|------------|-------------|------------|-------------|--|
|  | #            | #           | %            | #          | %           | #          | %           |  |
| Adverse Action by Agency                           | 2,480        | 1,690       | 68.2%        | 425        | 17.1%       | 365        | 14.7%       |  |
| Termination of Probationers                        | 3,535        | 3,498       | 99%          | 37         | 1%          | 0          | 0%          |  |
| Reduction in Force (RIF)                           | 72           | 59          | 81.9%        | 11         | 15.3%       | 2          | 2.8%        |  |
| Performance  | 93           | 39          | 42%          | 31         | 33.3%       | 23         | 24.7%       |  |
| Acceptable Level of Competence (ALOC) <sup>5</sup> | 21           | 18          | 85.7%        | 2          | 9.5%        | 1          | 4.8%        |  |
| Suitability  | 39           | 24          | 61.5%        | 14         | 35.9%       | 1          | 2.6%        |  |
| CSRS Retirement: Legal                             | 133          | 83          | 62.4%        | 2          | 1.5%        | 48         | 36.1%       |  |
| CSRS Retirement: Disability                        | 2            | 1           | 50%          | 0          | 0%          | 1          | 50%         |  |
| CSRS Retirement: Overpayment                       | 18           | 8           | 44.4%        | 1          | 5.6%        | 9          | 50%         |  |
| FERS Retirement: Legal                             | 269          | 199         | 74%          | 6          | 2.2%        | 64         | 23.8%       |  |
| FERS Retirement: Disability                        | 871          | 837         | 96%          | 3          | 0.3%        | 31         | 3.6%        |  |
| FERS Retirement: Overpayment                       | 211          | 120         | 56.9%        | 50         | 23.7%       | 41         | 19.4%       |  |
| FERCCA   | 3            | 3           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Individual Right of Action                         | 512          | 330         | 64.4%        | 88         | 17.2%       | 94         | 18.4%       |  |
| USERRA   | 74           | 52          | 70.3%        | 10         | 13.5%       | 12         | 16.2%       |  |
| VEOA   | 37           | 22          | 59.5%        | 1          | 2.7%        | 14         | 37.8%       |  |
| Other <sup>6</sup>                                 | 678          | 649         | 95.7%        | 21         | 3.1%        | 8          | 1.2%        |  |
| <b>Total</b>                                       | <b>9,048</b> | <b>7632</b> | <b>84.4%</b> | <b>702</b> | <b>7.7%</b> | <b>714</b> | <b>7.9%</b> |  |

<sup>5</sup> ALOC means an employee is effectively performing the duties and responsibilities of his or her assigned job, which warrants advancing the employee's rate of pay to the next higher step at the grade of the employee's position. If an employee's performance is not at an ALOC, then the agency must, under most circumstances, deny his or her within-grade increase.

<sup>6</sup> "Other" appeals include Restoration to Duty (16), Miscellaneous (313), and additional types such as Reemployment Priority, Employment Practices, and others.

**Table 3: Disposition of Appeals by Agency**  
(in descending order by number of decided appeals)

|   | Decided |      | Dismissed |     | Settled |     | Adjudicated |  |
|---|---------|------|-----------|-----|---------|-----|-------------|--|
|   | #       | #    | %         | #   | %       | #   | %           |  |
| Department of Agriculture                   | 1557    | 1516 | 97.4%     | 20  | 1.3%    | 21  | 1.3%        |  |
| Office of Personnel Management <sup>7</sup> | 1551    | 1281 | 82.6%     | 74  | 4.8%    | 196 | 12.6%       |  |
| Department of Veterans Affairs              | 1438    | 1235 | 85.9%     | 105 | 7.3%    | 98  | 6.8%        |  |
| Department of Interior                      | 609     | 586  | 96.2%     | 15  | 2.5%    | 8   | 1.3%        |  |
| U.S. Postal Service                         | 456     | 320  | 70%       | 86  | 19%     | 50  | 11          |  |
| Department of Homeland Security             | 452     | 350  | 77.4%     | 51  | 11.3%   | 51  | 11.3%       |  |
| Department of Defense/Department of War     | 336     | 243  | 72.3%     | 46  | 13.7%   | 47  | 14%         |  |
| Department of the Army                      | 328     | 210  | 64%       | 77  | 23.5%   | 41  | 12.5%       |  |
| Department of Transportation                | 286     | 267  | 93.4%     | 10  | 3.5%    | 9   | 3.1%        |  |
| Department of the Navy                      | 276     | 190  | 68.8%     | 54  | 19.6%   | 32  | 11.6%       |  |
| Department of the Treasury                  | 268     | 231  | 86.2%     | 21  | 7.8%    | 16  | 6%          |  |
| Department of Justice                       | 245     | 165  | 67.3%     | 34  | 13.9%   | 46  | 18.8%       |  |
| Department of the Air Force                 | 206     | 140  | 68%       | 40  | 19.4%   | 26  | 12.6%       |  |
| Department of Energy                        | 157     | 150  | 95.5%     | 4   | 2.5%    | 3   | 2%          |  |
| General Services Administration             | 147     | 141  | 96%       | 5   | 3.4%    | 1   | 0.6%        |  |
| Department of Health and Human services     | 120     | 99   | 82.5%     | 11  | 9.2%    | 10  | 8.3%        |  |
| Social Security Administration              | 84      | 59   | 70.2%     | 4   | 4.8%    | 21  | 25%         |  |
| Department of Commerce                      | 62      | 52   | 83.9%     | 6   | 9.7%    | 4   | 6.4%        |  |
| Department of Labor                         | 61      | 52   | 85.2%     | 3   | 4.8%    | 6   | 9.8%        |  |
| Federal Deposit Insurance Corporation       | 53      | 48   | 90.6%     | 2   | 3.8%    | 3   | 5.6%        |  |
| Department of Housing and Urban Development | 50      | 43   | 86%       | 4   | 8%      | 3   | 6%          |  |
| Department of Education                     | 28      | 27   | 96.4%     | 1   | 3.6%    | 0   | 0%          |  |
| Department of State                         | 26      | 24   | 92.3%     | 1   | 3.8%    | 1   | 3.8%        |  |
| Small Business Administration               | 26      | 24   | 92.3%     | 0   | 0%      | 2   | 7.7%        |  |
| U.S. Agency for International Development   | 26      | 25   | 96.2%     | 0   | 0%      | 1   | 3.8%        |  |
| Environmental Protection Agency             | 18      | 15   | 83.3%     | 1   | 5.6%    | 2   | 11.1%       |  |
| U.S. Agency for Global Media                | 18      | 12   | 66.7%     | 6   | 33.3%   | 0   | 0%          |  |

<sup>7</sup> Most appeals in which OPM is the agency are retirement cases involving decisions made by OPM as the administrator of the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS).

**Table 3: Disposition of Appeals by Agency (continued)**

|   | Decided | Dismissed |       | Settled |       | Adjudicated |       |
|---|---------|-----------|-------|---------|-------|-------------|-------|
|   | #       | #         | %     | #       | %     | #           | %     |
| Smithsonian Institution                                     | 17      | 13        | 76.5% | 1       | 5.9   | 3           | 17.6% |
| Federal Reserve System                                      | 15      | 13        | 86.6% | 1       | 6.7%  | 1           | 6.7%  |
| National Aeronautics and Space Administration               | 13      | 4         | 30.8% | 6       | 46.2% | 3           | 23%   |
| Pension Benefit Guaranty Corporation                        | 13      | 11        | 84.6% | 0       | 0%    | 2           | 13.4% |
| African Development Foundation                              | 9       | 9         | 100%  | 0       | 0%    | 0           | 0%    |
| Equal Employment Opportunity Commission                     | 9       | 7         | 77.8% | 2       | 22.2% | 0           | 0%    |
| Corporation for National and Community Service              | 8       | 7         | 87.5% | 1       | 12.5% | 0           | 0%    |
| National Credit Union Administration                        | 8       | 6         | 75%   | 0       | 0%    | 2           | 25%   |
| National Archives and Records Administration                | 7       | 7         | 100%  | 0       | 0%    | 0           | 0%    |
| Securities and Exchange Commission                          | 6       | 4         | 66.7% | 2       | 33.3% | 0           | 0%    |
| Executive Office of the President, Office of Administration | 5       | 5         | 100%  | 0       | 0%    | 0           | 0%    |
| Federal Mediation and Conciliation Service                  | 5       | 5         | 100%  | 0       | 0%    | 0           | 0%    |
| Government Publishing Office                                | 4       | 2         | 50%   | 1       | 25%   | 1           | 25    |
| Surface Transportation Board                                | 4       | 4         | 100%  | 0       | 0%    | 0           | 0%    |
| Development Finance Corporation                             | 3       | 2         | 66.7% | 0       | 0%    | 1           | 33.3% |
| Election Assistance Commission                              | 3       | 2         | 66.7% | 1       | 33.3% | 0           | 0%    |
| Office of Special Counsel                                   | 3       | 2         | 66.7% | 0       | 0%    | 1           | 33.3% |
| Central Intelligence Agency                                 | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Commodity Futures Trading Commission                        | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Consumer Product Safety Commission                          | 2       | 1         | 50%   | 1       | 50%   | 0           | 0%    |
| Executive Office of the President                           | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Federal Communications Commission                           | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Federal Trade Commission                                    | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Nuclear Regulatory Commission                               | 2       | 1         | 50%   | 0       | 0%    | 1           | 50%   |
| Office of the Director of National Intelligence             | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Railroad Retirement Board                                   | 2       | 1         | 50%   | 0       | 0%    | 1           | 50%   |
| U.S. International Trade Commission                         | 2       | 2         | 100%  | 0       | 0%    | 0           | 0%    |
| Armed Forces Retirement Home                                | 1       | 1         | 100%  | 0       | 0%    | 0           | 0%    |

**Table 3: Disposition of Appeals by Agency (continued)**

|  | Decided     |             | Dismissed    |            | Settled     |            | Adjudicated |  |
|--|-------------|-------------|--------------|------------|-------------|------------|-------------|--|
|  | #           | #           | %            | #          | %           | #          | %           |  |
| Committee for Purchase from People Who Are Blind and Severely Disabled | 1           | 1           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Court Services and Offender Supervision Agency for DC                  | 1           | 1           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Defense Nuclear Facilities Safety Board                                | 1           | 0           | 0%           | 1          | 100%        | 0          | 0%          |  |
| Export-import Bank of the United States                                | 1           | 1           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Federal Housing Finance Agency   | 1           | 0           | 0%           | 1          | 100%        | 0          | 0%          |  |
| Federal Retirement Thrift Investment Board                             | 1           | 1           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Library of Congress  | 1           | 1           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Millennium Challenge Corporation                                       | 1           | 0           | 0%           | 1          | 100%        | 0          | 0%          |  |
| National Labor Relations Board   | 1           | 1           | 100%         | 0          | 0%          | 0          | 0%          |  |
| Office of Management and Budget  | 1           | 0           | 0%           | 1          | 100%        | 0          | 0%          |  |
| Tennessee Valley Authority   | 1           | 0           | 0%           | 1          | 100%        | 0          | 0%          |  |
| <b>Total</b>   | <b>9048</b> | <b>7632</b> | <b>84.3%</b> | <b>702</b> | <b>7.8%</b> | <b>714</b> | <b>7.9%</b> |  |

**Table 4: Disposition of Initial Appeals Adjudicated on the Merits by Agency**

|   | Adjudicated | Affirmed |       | Reversed |       | Mitigated/<br>Modified |       | Other |      |
|---|-------------|----------|-------|----------|-------|------------------------|-------|-------|------|
|   | #           | #        | %     | #        | %     | #                      | %     | #     | %    |
| Department of Agriculture                     | 21          | 20       | 95.2% | 1        | 4.8%  | 0                      | 0%    | 0     | 0%   |
| Office of Personnel Management <sup>8</sup>   | 196         | 141      | 72%   | 37       | 18.9% | 0                      | 0%    | 18    | 9.1% |
| Department of Veterans Affairs                | 98          | 87       | 88.8% | 9        | 9.2%  | 2                      | 2%    | 0     | 0%   |
| Department of Interior                        | 8           | 7        | 87.5% | 1        | 12.5% | 0                      | 0%    | 0     | 0%   |
| U.S. Postal Service                           | 50          | 44       | 88%   | 3        | 6%    | 3                      | 6%    | 0     | 0%   |
| Department of Homeland Security               | 51          | 41       | 80.4% | 7        | 13.7% | 3                      | 5.9%  | 0     | 0%   |
| Department of Defense/Department of War       | 47          | 43       | 91.5% | 4        | 8.5%  | 0                      | 0%    | 0     | 0%   |
| Department of the Army                        | 41          | 36       | 87.8% | 4        | 9.8%  | 1                      | 2.4%  | 0     | 0%   |
| Department of Transportation                  | 9           | 8        | 88.9% | 0        | 0%    | 1                      | 1.1%  | 0     | 0%   |
| Department of the Navy                        | 32          | 31       | 96.9% | 1        | 3.1%  | 0                      | 0%    | 0     | 0%   |
| Department of the Treasury                    | 16          | 15       | 93.8% | 1        | 6.2%  | 0                      | 0%    | 0     | 0%   |
| Department of Justice                         | 46          | 32       | 69.6% | 12       | 26%   | 2                      | 43.4% | 0     | 0%   |
| Department of the Air Force                   | 26          | 24       | 92.3% | 2        | 7.7%  | 0                      | 0%    | 0     | 0%   |
| Department of Energy                          | 3           | 2        | 66.7% | 1        | 33.3% | 0                      | 0%    | 0     | 0%   |
| General Services Administration               | 1           | 1        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Department of Health and Human services       | 10          | 8        | 80%   | 2        | 20%   | 0                      | 0%    | 0     | 0%   |
| Social Security Administration                | 21          | 18       | 85.7% | 3        | 14.3% | 0                      | 0%    | 0     | 0%   |
| Department of Commerce                        | 4           | 4        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Department of Labor                           | 6           | 5        | 83.3% | 1        | 16.7% | 0                      | 0%    | 0     | 0%   |
| Federal Deposit Insurance Corporation         | 3           | 3        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Department of Housing and Urban Development   | 3           | 3        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Department of State                           | 1           | 1        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Environmental Protection Agency               | 2           | 2        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Smithsonian Institute                         | 3           | 3        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Federal Reserve System                        | 1           | 1        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| National Aeronautics and Space Administration | 3           | 3        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| Pension Benefit Guaranty Corporation          | 2           | 2        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |
| National Credit Union Administration          | 2           | 2        | 100%  | 0        | 0%    | 0                      | 0%    | 0     | 0%   |

<sup>8</sup> In 195 of the 196 appeals listing OPM as the agency, the appeals are retirement cases involving decisions made by OPM as the administrator of the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS).

**Table 4: Disposition of Initial Appeals Adjudicated on the Merits by Agency (continued)**

|                                 | Adjudicated | Affirmed   |              | Reversed  |              | Mitigated/<br>Modified |             | Other     |             |
|---------------------------------|-------------|------------|--------------|-----------|--------------|------------------------|-------------|-----------|-------------|
|                                 | #           | #          | %            | #         | %            | #                      | %           | #         | %           |
| Government Publishing Office    | 1           | 1          | 100%         | 0         | 0%           | 0                      | 0%          | 0         | 0%          |
| Development Finance Corporation | 1           | 1          | 100%         | 0         | 0%           | 0                      | 0%          | 0         | 0%          |
| Office of Special Counsel       | 1           | 1          | 100%         | 0         | 0%           | 0                      | 0%          | 0         | 0%          |
| National Regulatory Commission  | 1           | 1          | 100%         | 0         | 0%           | 0                      | 0%          | 0         | 0%          |
| Railroad Retirement Board       | 1           | 1          | 100%         | 0         | 0%           | 0                      | 0%          | 0         | 0%          |
| <b>TOTAL</b>                    | <b>714</b>  | <b>595</b> | <b>83.3%</b> | <b>89</b> | <b>12.5%</b> | <b>12</b>              | <b>1.7%</b> | <b>18</b> | <b>2.5%</b> |

**Cases Processed at Headquarters**  
**Table 5: Disposition of PFRs of Initial Decisions by Type of Case**

| Type of Case   | Decided    |   | Dismissed |             | Settled  |             | Denied     |              | Denied But Reopened |           | Granted    |              |
|--|------------|---|-----------|-------------|----------|-------------|------------|--------------|---------------------|-----------|------------|--------------|
|  | #          | % | #         | %           | #        | %           | #          | %            | #                   | %         | #          | %            |
| Adverse Actions  | 163        |   | 3         | 1.8%        | 6        | 3.7%        | 114        | 70%          | 0                   | 0%        | 40         | 24.5%        |
| Termination of Probationers  | 31         |   | 2         | 6.5%        | 0        | 0%          | 24         | 77.4%        | 0                   | 0%        | 5          | 16.1%        |
| Reduction in Force   | 0          |   | 0         | 0%          | 0        | 0%          | 0          | 0%           | 0                   | 0%        | 0          | 0%           |
| Performance  | 16         |   | 3         | 18.7%       | 0        | 0%          | 6          | 37.5%        | 0                   | 0%        | 7          | 43.8%        |
| Acceptable Level of Competence <sup>9</sup>                        | 2          |   | 0         | 0%          | 0        | 0%          | 1          | 50%          | 0                   | 0%        | 1          | 50%          |
| Suitability  | 2          |   | 0         | 0%          | 0        | 0%          | 2          | 100%         | 0                   | 0%        | 0          | 0%           |
| CSRS Retirement-Legal  | 6          |   | 0         | 0%          | 0        | 0%          | 4          | 66.6%        | 1                   | 16.7%     | 1          | 16.7%        |
| CSRS Retirement-Overpayment  | 3          |   | 0         | 0%          | 0        | 0%          | 2          | 66.7%        | 0                   | 0%        | 1          | 33.3%        |
| FERS Retirement-Legal  | 24         |   | 0         | 0%          | 0        | 0%          | 19         | 79.2%        | 0                   | 0%        | 5          | 20.8%        |
| FERS Retirement-Disability   | 17         |   | 1         | 5.9%        | 0        | 0%          | 11         | 64.7%        | 0                   | 0%        | 5          | 29.4%        |
| FERS Retirement-Overpayment  | 13         |   | 0         | 0%          | 0        | 0%          | 10         | 77%          | 0                   | 0%        | 3          | 23%          |
| Individual Right of Action   | 73         |   | 10        | 13.7%       | 0        | 0%          | 38         | 52.1%        | 2                   | 2.7%      | 23         | 31.5%        |
| VEOA - Veterans Employment Opportunities Act                       | 11         |   | 2         | 18.2%       | 0        | 0%          | 5          | 45.5%        | 1                   | 9.1%      | 3          | 27.3%        |
| USERRA - Uniformed Services Employment and Reemployment Rights Act | 9          |   | 2         | 22.2%       | 0        | 0%          | 4          | 44.4%        | 2                   | 22.2%     | 1          | 11.1%        |
| Other <sup>10</sup>  | 26         |   | 4         | 15.4%       | 1        | 3.9%        | 14         | 53.9%        | 2                   | 7.7%      | 5          | 19.2%        |
| <b>Total</b>   | <b>396</b> |   | <b>27</b> | <b>6.8%</b> | <b>7</b> | <b>1.8%</b> | <b>254</b> | <b>64.1%</b> | <b>8</b>            | <b>2%</b> | <b>100</b> | <b>25.3%</b> |

<sup>9</sup> ALOC means an employee is effectively performing the duties and responsibilities of his or her assigned job, which warrants advancing the employee's rate of pay to the next higher step at the grade of the employee's position. If an employee's performance is not at an ALOC, then the agency must, under most circumstances, deny his or her within-grade increase.

<sup>10</sup> Includes cases such as restoration cases, short suspension cases, and miscellaneous cases.

**Table 6: Disposition of PFRs of Initial Decisions, by Agency**

|   | Decided |   | Dismissed |   | Settled |    | Denied |   | Denied But Reopened <sup>11</sup> |    | Granted |  |
|---|---------|---|-----------|---|---------|----|--------|---|-----------------------------------|----|---------|--|
|   | #       | # | %         | # | %       | #  | %      | # | %                                 | #  | %       |  |
| Department of Veterans Affairs                | 71      | 5 | 7%        | 2 | 2.8%    | 34 | 47.9%  | 0 | 0%                                | 30 | 42.3%   |  |
| Office of Personnel Management                | 60      | 1 | 1.7%      | 0 | 0%      | 44 | 73.3%  | 1 | 1.7%                              | 14 | 23.3%   |  |
| Department of the Army                        | 41      | 4 | 9.8%      | 2 | 4.9%    | 27 | 65.8%  | 0 | 0%                                | 8  | 19.5%   |  |
| Department of Homeland Security               | 32      | 2 | 6.3%      | 0 | 0%      | 21 | 65.6%  | 0 | 0%                                | 9  | 28.1%   |  |
| Department of the Navy                        | 29      | 5 | 17.2%     | 0 | 0%      | 22 | 75.8%  | 1 | 3.5%                              | 1  | 3.5%    |  |
| Department of Defense                         | 23      | 1 | 4.4%      | 1 | 4.4%    | 14 | 60.9%  | 1 | 4.4%                              | 6  | 26.1%   |  |
| Department of the Treasury                    | 20      | 0 | 0%        | 1 | 5%      | 11 | 55%    | 0 | 0%                                | 8  | 40%     |  |
| Department of the Air Force                   | 18      | 0 | 0%        | 0 | 0%      | 14 | 77.8%  | 0 | 0%                                | 4  | 22.2%   |  |
| Department of Justice                         | 14      | 1 | 7.1%      | 0 | 0%      | 10 | 71.4%  | 0 | 0%                                | 3  | 21.4%   |  |
| Social Security Administration                | 9       | 1 | 11.1%     | 0 | 0%      | 6  | 66.7%  | 0 | 0%                                | 2  | 22.2%   |  |
| Department of Commerce                        | 8       | 0 | 0%        | 0 | 0%      | 6  | 75%    | 0 | 0%                                | 2  | 25%     |  |
| Department of Health and Human Services       | 8       | 0 | 0%        | 0 | 0%      | 6  | 75%    | 1 | 12.5%                             | 1  | 12.5%   |  |
| Department of the Interior                    | 8       | 4 | 50%       | 0 | 0%      | 0  | 0%     | 3 | 37.5%                             | 1  | 12.5%   |  |
| Department of Transportation                  | 8       | 1 | 12.5%     | 0 | 0%      | 4  | 50%    | 0 | 0%                                | 3  | 37.5%   |  |
| U.S. Postal Service                           | 8       | 0 | 0%        | 0 | 0%      | 8  | 100%   | 0 | 0%                                | 0  | 0%      |  |
| Department of Agriculture                     | 7       | 0 | 0%        | 0 | 0%      | 5  | 71.4%  | 0 | 0%                                | 2  | 28.6%   |  |
| Department of State                           | 5       | 0 | 0%        | 0 | 0%      | 3  | 60%    | 0 | 0%                                | 2  | 40%     |  |
| Department of Housing and Urban Development   | 4       | 1 | 25%       | 0 | 0%      | 2  | 50%    | 0 | 0%                                | 1  | 25%     |  |
| Department of Labor                           | 3       | 1 | 33.3%     | 0 | 0%      | 1  | 33.3%  | 0 | 0%                                | 1  | 33.3%   |  |
| Federal Deposit Insurance Corporation         | 3       | 0 | 0%        | 0 | 0%      | 2  | 66.7%  | 0 | 0%                                | 1  | 33.3%   |  |
| Small Business Administration                 | 3       | 0 | 0%        | 0 | 0%      | 3  | 100%   | 0 | 0%                                | 0  | 0%      |  |
| Smithsonian Institution                       | 3       | 0 | 0%        | 0 | 0%      | 3  | 100%   | 0 | 0%                                | 0  | 0%      |  |
| Department of Education                       | 2       | 0 | 0%        | 0 | 0%      | 1  | 50%    | 0 | 0%                                | 1  | 50%     |  |
| National Aeronautics and Space Administration | 2       | 0 | 0%        | 1 | 50%     | 1  | 50%    | 0 | 0%                                | 0  | 0%      |  |
| U.S. Agency for Global Media                  | 2       | 0 | 0%        | 0 | 0%      | 2  | 100%   | 0 | 0%                                | 0  | 0%      |  |
| Department of Energy                          | 1       | 0 | 0%        | 0 | 0%      | 1  | 100%   | 0 | 0%                                | 0  | 0%      |  |

<sup>11</sup> Denied But Reopened includes cases denied on the basis of the issues raised in the PFR, but which the Board has considered an issue sua sponte, i.e., of the Board's own accord (5 C.F.R. § 1201-117(a)). This definition applies also to Table 5 and Figures 4, 5, and 7.

**Table 6: Disposition of PFRs of Initial Decisions, by Agency (continued)**

|   | Decided    |             | Dismissed |             | Settled  |             | Denied     |              | Denied But Reopened |           | Granted    |              |
|---|------------|-------------|-----------|-------------|----------|-------------|------------|--------------|---------------------|-----------|------------|--------------|
|   | #          | %           | #         | %           | #        | %           | #          | %            | #                   | %         | #          | %            |
| Executive Office of the President, Office of Administration | 1          | 0%          | 0         | 0%          | 0        | 0%          | 1          | 100%         | 0                   | 0%        | 0          | 0%           |
| General Services Administration                             | 1          | 0%          | 0         | 0%          | 0        | 0%          | 1          | 100%         | 0                   | 0%        | 0          | 0%           |
| Nuclear Regulatory Commission                               | 1          | 0%          | 0         | 0%          | 0        | 0%          | 1          | 100%         | 0                   | 0%        | 0          | 0%           |
| Securities and Exchange Commission                          | 1          | 0%          | 0         | 0%          | 0        | 0%          | 0          | 0%           | 1                   | 100%      | 0          | 0%           |
| <b>TOTAL</b>  | <b>396</b> | <b>6.8%</b> | <b>27</b> | <b>6.8%</b> | <b>7</b> | <b>1.8%</b> | <b>254</b> | <b>64.1%</b> | <b>8</b>            | <b>2%</b> | <b>100</b> | <b>25.2%</b> |

## Significant Decisions

As a service to MSPB's stakeholders, we have provided brief summaries of significant opinions issued by the Federal Circuit and other federal appellate courts in appeals of MSPB cases, and by the Supreme Court in cases relevant to MSPB.

### Significant Opinions Issued by the U.S. Court of Appeals for the Federal Circuit

#### Annuity / Retirement Pay Calculation

*Stuart v. Office of Personnel Management*, [139 F. 4th 1357](#) (Fed. Cir. 2025): The appellant, a retired Navy veteran who received military retirement pay based on his disability status, subsequently entered into and retired from federal civilian service. The Office of Personnel Management determined, and the Board affirmed, that his prior military service was not creditable for purposes of calculating his FERS retirement annuity, because he was already receiving military retirement pay based on his military service and federal statute prohibited crediting his military service for both his military retired pay and his FERS annuity. The Federal Circuit held that although appellant's military retirement pay was calculated based on his disability status rather than his number of years of military service, it qualified as being based on his military service, and thus he was statutorily prohibited from counting his military service for both his military retirement pay and his FERS annuity.

#### USERRA

*Knox v. Department of Justice*, [125 F.4th 1059](#) (Fed. Cir. 2025): The MSPB found the appellant had not proven he was entitled to a promotion under the Uniformed Services Employment and Reemployment Rights Act and 5 C.F.R. § 353.106(c) because promotions were committed to agency discretion instead of being automatic. The Federal Circuit held the Board had erroneously held the appellant to a higher burden than the regulation requires and reversed that aspect of the Board's decision. The court left it "to the Board on remand to determine whether it is necessary to decide" whether the 3-factor test for determining entitlement to a promotion set forth in § 353.106(c) is conjunctive "and, if so, whether all three of the regulation's factors must be met and who bears the burden of proof on those factors."

#### VEOA

*McCoy v. MSPB*, [121 F.4th 204](#) (Fed. Cir. 2024): The Federal Circuit affirmed the Board's jurisdictional dismissal of the appellant's VEOA appeal on the ground that he failed to show that he exhausted his administrative remedy by first filing a complaint with the Secretary of Labor.

#### Whistleblowing/Corrective Action

*Biswas v. Department of Veterans Affairs*, [127 F.4th 332](#) (2025): In this whistleblowing matter, the Court affirmed the Board's denial of corrective action and its finding that the agency would have taken the personnel actions at issue even in the absence of the petitioner's protected disclosures. The Court overturned the Board's finding that the petitioner's actions in emailing disclosures to the Secretary of the VA were insubordinate, holding that under the Whistleblower Protection Act, reports of wrongdoing may not be prohibited or retaliated against, even when made outside the chain of command or to the head of the agency. However, the Court concluded that this error was harmless because the Board had considered multiple pieces of evidence other than the appellant's emails to the Secretary, in determining that the agency had shown by clear and convincing evidence that it would have terminated the appellant's appointment in the absence of her protected disclosure.

*Sadler v. Department of the Army*, [129 F.4th 1339](#) (Fed. Cir. 2025): The Federal Circuit affirmed the Board's decision in the appellant's whistleblower appeal involving two separate complaints, finding that: (1) as to the first complaint, he failed to nonfrivolously allege that he made a protected disclosure because his allegations were vague and conclusory; and (2) as to the second complaint, the agency demonstrated that it

would have taken the same actions absent his protected activity because, among other things, the agency discussed potential discipline for the appellant’s insubordination prior to his protected activity. The Board did not abuse its discretion in declining to sanction the agency for failing to preserve relevant evidence, which was destroyed as part of a regular business practice, because it was appropriate for the Board to look to the Federal Rules of Civil Procedure which require proof that evidence was destroyed with an intent to deprive another party of the information’s use in litigation.

### **Whistleblowing/Nonfrivolous Allegations**

*Abutalib v. Merit Sys. Prot. Bd.*, [127 F.4th 373](#) (Fed. Cir. 2025): The Federal Circuit affirmed the Board’s finding that the appellant, a Veterans Health Administration physician, failed to make nonfrivolous allegations she was retaliated against for engaging in whistleblowing or otherwise protected activity. The Court found that because the appellant did not argue before the administrative judge that her prior EEO activity included whistleblowing allegations, she could not make that argument before the Court. The Court also found that even if the appellant’s EEO complaint contained whistleblowing disclosures, because those disclosures were not the subject of her Office of Special Counsel (“OSC”) complaint, she failed to exhaust her administrative remedies before the OSC.

### **Significant Opinions Issued by Other Circuit Courts**

None.

### **Significant Decisions Issued by The Supreme Court**

*Feliciano v. Department of Transportation*, [605 U.S. 38](#) (2025): The Court held that a federal civilian employee reservist who is called to active military duty under “any other provision of law . . . during a national emergency” is entitled to differential pay under 5 U.S.C. § 5538(a) and 10 U.S.C. § 101(a)(13)(B) if the reservist’s service coincides with a declared national emergency, regardless of whether that service is substantively connected to the national emergency. Thus, the appellant, a reservist who served on a Coast Guard ship escorting vessels to and from harbor during Operations Enduring Freedom and Iraqi Freedom, was entitled to differential pay during the periods he served on active duty.

## Review of the U.S. Office of Personnel Management’s Significant Actions

MSPB is required by statute<sup>12</sup> to review and report on the significant actions of the Office of Personnel Management (OPM) over the preceding fiscal year, including an analysis of whether those actions are in accord with the merit system principles (MSPs) and free from prohibited personnel practices (PPPs).<sup>13</sup> As Congress intended, this analysis is based on those activities that the Board determines are significant,<sup>14</sup> and is a general review of the policies and effectiveness of OPM, not an investigation of the internal operation of OPM and its employees.<sup>15</sup> OPM’s actions broadly affect the Federal workforce, multiple Federal agencies, and applicants for Federal jobs.

Federal civilian personnel management underwent sweeping changes across multiple domains in 2025. Given the number of 2025 civil service reforms, this review of OPM Significant Actions provides a high-level summary rather than an in-depth analysis of each individual change. To complete this analysis, MSPB staff reviewed OPM transmittals to agencies and documented potential significant actions and grouped them by theme area. The initiatives detailed in the following sections collectively encompass OPM’s significant actions in the areas of performance management, workforce restructuring, benefits and workplace flexibility, position classification, career development, DEIA policies, and collective bargaining agreements. In some areas implementation of OPM guidance is still evolving due to legal challenges, in-process rulemaking, or overlapping impacts across domains—MSPB will continue monitoring these changes.

### Performance Management

OPM significantly redesigned the federal performance management framework in 2025. A key component of this redesign was the mandate to agencies to transition non-Senior Executive Service/Senior Professional (SES/SP) employees to a standardized fiscal-year appraisal cycle, by October 1, 2026.<sup>16</sup> To reinforce supervisory accountability, OPM introduced a new critical performance element titled “Holding Employees Accountable” and issued required training for supervisors and managers. Critical performance elements are job responsibilities deemed so vital that failure on any of those elements leads to an overall Unacceptable performance rating. Executives under SES and SP performance systems also face enhanced oversight through OPM required quarterly progress reviews.<sup>17</sup>

OPM’s updated rating distribution guidance limits top ratings (level 4 and 5) for executives to roughly 30% of the rating pool and establishes more stringent award differentiation rules.<sup>18</sup> Similar rating controls were proposed for GS employees,<sup>19</sup> including allowing forced rating distributions for most staff, and restrictions on pass/fail ratings. To monitor compliance, senior executives supervising 10 or more

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<sup>12</sup> 5 U.S.C. § 1206.

<sup>13</sup> 5 U.S.C. § 2301(b) and 5 U.S.C. § 2302(b), respectively.

<sup>14</sup> Committee on Conference, Civil Service Reform Act of 1978, Conference Report to Accompany S. 2640, 95th Cong., 2nd Sess., 1978, H. Rept. No. 95-1717, p. 133. MSPB defines an OPM significant action as an activity performed by OPM that has broad impact on how the Federal Government manages the workforce. Significant actions can consist of regulations, rules, policies, programs, guidance, consultative services, oversight activities, or other major activities performed by OPM. They can be actions that are proposed, in progress, or completed. The actions may originate from a third party, such as OMB, but require OPM to play a significant role in the implementation or oversight of the activities. MSPB’s review of the significant actions will include analyses of whether the actions are in accord with the merit system principles and free of prohibited personnel practices.

<sup>15</sup> U.S. Office of Personnel Management. (2025, June 17). *Performance management for federal employees* ([Appendix revised July 17, 2025](#)).

<sup>16</sup> *Id.*

<sup>17</sup> U.S. Office of Personnel Management. (2025, February 25). [New Senior Executive Service performance appraisal system and performance plan, and guidance on next steps for agencies](#).

<sup>18</sup> U.S. Office of Personnel Management. (2025, April 3). [New Senior Professional \(SL/ST\) performance appraisal system and plan](#).

<sup>19</sup> U.S. Office of Personnel Management. (2025, August 11). [Guidance on awards for federal employees](#).

employees will be required to report rating patterns. Employee awards will be capped based on the number of high performers, with at least 60% of bonus resources directed to Level 4–5 performers and no awards permitted for ratings below Fully Successful.

Alongside limits on high ratings, the framework accelerates action on poor performance. Effective in 2026, employees in placed in the newly created Schedule Policy/Career based on their policy-related duties may be removed immediately for poor performance, without the statutory appeal rights afforded other career employees. In 2025 agencies were directed to identify and submit lists of career staff to transition to these new policy-related schedules later in 2026. For other excepted service and competitive service employees, Performance Improvement Plans (PIPs) are now limited to 30 business days and must include measurable goals, timelines, and consequences. OPM also suggested agencies consider taking performance actions under chapter 75 because those actions do not require an opportunity to improve. Finally, OPM has proposed a regulation that allows agencies to pursue post-appointment suitability and fitness actions if an employee engages in misconduct, negligence, criminal behavior, or dishonesty.<sup>20</sup>

### Workforce Restructuring

In alignment with the administration’s objectives to reduce and restructure the federal government, President Trump initiated a government-wide hiring freeze in January 2025 that halted most external recruitment for career positions.<sup>21</sup> OPM instructed agencies to revoke most pending job offers as part of this freeze. To ensure consistent application and oversight, OPM assumed centralized authority for approving exemptions to the hiring freeze. Agencies were required to submit requests for exceptions, which OPM reviewed and approved based on defined criteria. Additionally, OPM mandated that all agencies provide monthly hiring reports, enabling continuous monitoring of hiring activity and compliance during the freeze period.

To reduce and restructure the federal workforce, OPM and OMB required agencies to submit Agency Reorganization Plans and set reduced headcount targets.<sup>22</sup> Agencies were told to review probationer performance, remove poorly performing probationers quickly, and promote voluntary exits of career employees with VERA/VSIP incentives. OPM also strongly encouraged agencies to offer employees a Deferred Resignation Program: resign effective September 30, 2025, and continue receiving pay and benefits from the date of resignation until September 30, 2025. OPM also issued guidance directing agencies to terminate—to the maximum extent allowed by law—DEI, DEIA, and environmental justice offices within 60 days.<sup>23</sup> All federal agencies were required to implement an affirmative probationary and trial period certification process, where at least a second-line supervisor or higher assesses the probationary or trial employee's performance and conduct and certifies that their appointment should be finalized at the end of their probationary period.<sup>24</sup> Those not certified would be terminated by operation of law on the last day of their probationary period. Lastly, OPM proposed removing MSPB’s jurisdiction to hear appeals of terminated probationary employees, instead transferring that jurisdiction to OPM.<sup>25</sup> Some of the probationary termination, RIF, and restructuring initiatives were the subject of litigation in 2025—resulting in delayed implementation, stays, or reversals of some agency implementation efforts.

OPM also proposed in 2025, and established in 2026, Schedule Policy/Career (P/C), a new excepted

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<sup>20</sup> Office of Personnel Management. (2026, February 6). [Suitability action appeals \(Proposed Rule\)](#) 91.Fed.Reg 5352

<sup>21</sup> [Presidential Memorandum: Hiring Freeze \(Jan. 20, 2025\)](#); Executive Office of the President. (2025, January 20) [Hiring freeze \(Presidential memorandum\)](#)

<sup>22</sup> U.S. Office of Management and Budget & U.S. Office of Personnel Management. (2025, February 26). [Guidance on agency RIF and reorganization plans.](#)

<sup>23</sup> U.S. Office of Personnel Management. (2025, January 24). [Guidance regarding RIFs of DEIA offices.](#)

<sup>24</sup> U.S. Office of Personnel Management. (2025, August 7). [Updated guidance on Executive Order “Strengthening probationary periods in the Federal Service”.](#)

<sup>25</sup> Federal Register. (2025, December 30) [Streamlining Probationary and Trial Period Appeals.](#)

service category for career policy-influencing positions. OPM further directed agencies to identify positions appropriate for the new schedule, which OPM used to make recommendations to the President. Agencies would then be required to move those positions into the new schedule after the President issued an Executive order effectuating the changes.<sup>26</sup> This change removes these employees from the statutory performance, disciplinary, and whistleblower protections and procedures afforded other career employees, except that OPM directed agencies to implement their own whistleblowing protection and PPP policies for employees in P/C. Schedule G was also created for non-career policy-making and advocacy positions, filled through appointments by OPM and the White House Office of Presidential Personnel; these employees serve only during the President's term.<sup>27</sup>

During the government-wide hiring freeze, OPM implemented a Merit Hiring Plan.<sup>28</sup> Under this plan, agencies must adopt skills-based competitive hiring, remove unnecessary degree requirements, and reduce time-to-hire to under 80 days by using shared certificates and standardized position descriptions. The plan prioritizes recruitment of STEM professionals, early-career candidates, and veterans, while prohibiting the use of strategic workforce diversity initiatives. Competitive service hiring must include at least one technical assessment, and agencies are encouraged to use multiple-hurdle assessments to rank candidates. OPM also implemented the Rule of Many, allowing agencies to establish minimum passing scores to certify a sufficient pool of qualified applicants. New federal applicants above the GS-5 level will have to submit essays demonstrating commitment to the Constitution, a strong work ethic, and support for the President's priorities. All hiring selections will require leadership approval. Agencies must discontinue the collection and dissemination of workforce demographic data. SES hiring reforms also establish an 80-day hiring process, résumé-only applications, structured interviews in place of Executive Core Qualifications (ECQs) narratives, and mandatory assessments. To support governmentwide adoption of skills-based hiring, pooled certificates, SME-led evaluations, and leadership review processes, OPM launched a new Talent Team. Agencies are also required to track new metrics—including cost per hire, speed of hire, and quality of hire—to evaluate the impact of these reforms.

## Position Classification

Classification is a foundational element of federal hiring that shapes organizational roles, reporting structures, compensation systems, and promotion pathways. In 2025, OPM directed agencies to adopt plain-language working titles in vacancy announcements while retaining official titles for recordkeeping.<sup>29</sup> Agencies were required to audit and revise position titles and descriptions (PDs) to reflect evolving roles, eliminate jargon, and modernize STEM-related titles to align with private-sector terminology. Agencies were also instructed to review and update their PD libraries to ensure accurate job descriptions and consistent formatting for common positions. For occupations covered by USAHire, agencies must use standardized OPM PDs when posting new positions. Across government, agencies were further directed to remove unnecessary degree requirements from PDs.<sup>30</sup>

To support the presidential creation of Schedule Policy/Career, OPM gave agencies 90 days to review the PDs of career employees in policy-influencing positions, update their classifications, and prepare to reassign these positions to Schedule P/C, if directed by the President. Agencies were also required to

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<sup>26</sup> U.S. Office of Personnel Management. (2025, January 27). [Guidance on implementing "Restoring accountability to policy-influencing positions"](#).

<sup>27</sup> U.S. Office of Personnel Management. (2025, July 29). [Guidance on Executive Order creating Schedule G in the excepted service](#).

<sup>28</sup> U.S. Office of Personnel Management. (2025, May 29). [Merit hiring plan](#).

<sup>29</sup> U.S. Office of Personnel Management. (2025, September 9–10). [Job titling guidance in alignment with Executive Order 14170 and the Merit Hiring Plan](#).

<sup>30</sup> See footnote 15.

review SES career-reserved designations, converting certain roles to SES General as appropriate.<sup>31,32</sup> Agency CIO and CHCO positions were required to be reclassified to SES General.<sup>33,34</sup> OPM additionally introduced a revised set of ECQs emphasizing rule of law, efficiency, and alignment with administration priorities. New executive hires must demonstrate support for these priorities. DEIA-related competencies were removed, and new competencies in AI, data literacy, and systems thinking were added to the core skill expectations for executives.

## Employee Benefits and Flexibilities

In January, OPM proposed a series of reforms affecting federal employee benefits and workplace flexibilities. As part of these changes, OPM provided guidance for implementation of President Trump's January 20, 2025 Presidential Memorandum, "Return to In-Person Work," which established a full-time, in-person work policy that rescinded prior telework and remote work guidance.<sup>35</sup> Agencies were required to ensure that employees report full-time to their duty stations, with exemptions permitted only for disabilities, medical conditions, or other compelling circumstances, as determined by the head of the agency. Agencies were also directed to reset employee duty stations located more than 50 miles from agency offices. To support implementation, agencies were required to submit Return-to-Office (RTO) plans to OPM by February 7, 2025.<sup>36</sup> These plans were required to outline updates to telework agreements, describe alignment with collective bargaining obligations, identify permanent worksite determinations, include relocation analyses for employees stationed more than 50 miles from agency offices, and detail exemption frameworks, including categorical exemptions for military and Foreign Service spouses.<sup>37,38</sup> OPM also finalized new categories of administrative, investigative, and notice leave.<sup>39</sup> The guidance stated that use of these leave types must be reported to OPM's EHRI database and would be subject to a six-year record-retention requirement.<sup>40</sup>

In the benefits area, OPM directed FEHB/PSHB health insurance carriers to discontinue coverage of pediatric gender transition surgeries and hormone replacement services beginning in 2026.<sup>41</sup> For traumatic injuries or medical conditions where hormone replacement services are medically necessary, and for counseling services for gender dysphoria, benefit coverage may continue to be covered by federal insurance plans.<sup>42</sup> OPM instructed agencies to train HR help desks in 2025 to address employee questions regarding the new limitations, policy exceptions and the forthcoming appeals processes. These changes have also been the subject of litigation that may affect implementation.

## Career Development

To support broader reforms in hiring and managerial accountability, OPM implemented several initiatives in 2025 affecting human capital practices. Agencies are required to establish cross-functional Talent

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<sup>31</sup> U.S. Office of Personnel Management. (2025, February 5). [Maintaining the integrity of the career Senior Executive Service](#).

<sup>32</sup> U.S. Office of Personnel Management. (2025, February 24). [Guidance on career-reserved SES positions and agency redesignation requests](#).

<sup>33</sup> U.S. Office of Personnel Management. (2025, February 4). [Guidance regarding redesignating SES CIO positions](#).

<sup>34</sup> U.S. Office of Personnel Management. (2025, March 6). [Guidance regarding redesignating CHCO positions](#).

<sup>35</sup> U.S. Office of Personnel Management. (2025, January 22). [Guidance on Presidential Memorandum: Return to in-person work](#).

<sup>36</sup> Office of Management and Budget & U.S. Office of Personnel Management. (2025, January 27). [Agency return-to-office implementation plans](#).

<sup>37</sup> U.S. Office of Personnel Management. (2025, March 20). [FAQs on return-to-in-person work implementation questions](#).

<sup>38</sup> U.S. Office of Personnel Management. (2025, February 12). [Guidance on exempting military spouses and Foreign Service spouses from agency RTO plans](#).

<sup>39</sup> U.S. Office of Personnel Management. (2025, January 3). [Final regulations on administrative, investigative, and notice leave \(CPM 2025-01\)](#).

<sup>40</sup> U.S. Office of Personnel Management. (2025, July 30). [Template for agency administrative-leave policies \(CPM 2025-12\)](#).

<sup>41</sup> U.S. Office of Personnel Management, Healthcare & Insurance. (2025, January 31). [FEHB/PSHB Carrier Letter 2025-01A](#).

<sup>42</sup> U.S. Office of Personnel Management, Healthcare & Insurance. (2025, August 15). [FEHB/PSHB Carrier Letter 2025-01B](#).

Teams,<sup>43</sup> designate Delegated Examining (DE)-certified HR roles,<sup>44</sup> expand the use of pooled hiring, and enroll HR staff in OPM training programs that formalize career pathways and identify master trainers. Agencies must also nominate staff for OPM’s virtual evaluator training to build human capital evaluation expertise, and they are required to deploy OPM’s Veterans Employment Training modules annually for HR practitioners and hiring officials as part of onboarding and refresher training.<sup>45</sup> In addition, agencies may require DE certification as a condition of employment or as a selective factor for HR positions, supported by structured training, on-the-job learning, and ongoing assessment to maintain certification.

To strengthen managerial accountability, agencies must incorporate a new supervisory critical performance element focused on accountability and align supervisory training with 5 CFR part 412. This training must be integrated into updated supervisory individual development plans and tracked in learning management systems.<sup>46</sup> For executives, OPM launched new appraisal systems that require executive development plans and documented quarterly progress reviews to support continuous feedback and development.<sup>47</sup> Agencies were further directed to update SES talent development policies to align with revised ECQs and to integrate executive assessments into selection and development processes.<sup>48</sup> The role of Executive Resource Boards has been expanded to include non-career executives and to support coaching and broader executive development across agencies.<sup>49</sup>

## DEIA and Gender Policies

At the beginning of calendar year 2025, executive orders issued by President Trump eliminated Diversity, Equity, Inclusion, and Accessibility (DEIA) policies and programs.<sup>50</sup> OPM advised agencies to terminate employee resource groups and special-emphasis programs associated with DEIA initiatives. In January, agencies were required to close DEIA offices, place affected staff on administrative leave, withdraw DEIA-related materials from all communications, and remove DEIA branding from online platforms.<sup>51</sup> Agencies were further instructed to inventory and conclude DEIA-related contracts and eliminate career positions supporting these functions as part of agency reduction-in-force (RIF) plans.<sup>52</sup> In cases where DEIA offices performed multiple functions, only legally mandated activities were permitted to continue.

OPM also mandated that all personnel policies, forms, and HR systems replace the term “gender” with “sex.”<sup>53</sup> The Federal Employee Viewpoint Survey (FEVS) and other agency surveys were required to remove DEIA-related and gender-identity content.<sup>54</sup> Moreover, federal facilities and programs were instructed to align designations with biological sex in accordance with revised workforce policy requirements. Agencies were advised to update employee communications to reflect new language standards and forthcoming changes to health insurance coverage, including the cessation of coverage for gender transition services beginning in 2026.<sup>55</sup> Workforce rules—such as dress codes, restroom signage,

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<sup>43</sup> U.S. Office of Personnel Management. (2025, September 23). [Guidance on establishing agency talent teams.](#)

<sup>44</sup> U.S. Office of Personnel Management. (2025, August 18). [Use of delegated examining certification as a condition of employment, selective factor, and/or quality ranking factor.](#)

<sup>45</sup> U.S. Office of Personnel Management. (2025, September 22). [Announcement of the updated veterans employment training modules.](#)

<sup>46</sup> See Footnote 8.

<sup>47</sup> U.S. Office of Personnel Management. (2025, May 29). [Hiring and talent development for the Senior Executive Service.](#)

<sup>48</sup> U.S. Office of Personnel Management. (2025, February 25). [New Senior Executive Service performance appraisal system and performance plan.](#)

<sup>49</sup> U.S. Office of Personnel Management. (2025, April 3). [New Senior Professional \(SL/ST\) performance appraisal system and plan.](#)

<sup>50</sup> U.S. Office of Personnel Management. (2025, January 21). [Initial guidance regarding DEIA executive orders.](#)

<sup>51</sup> U.S. Office of Personnel Management. (2025, January 24). [Guidance regarding RIFs of DEIA offices.](#)

<sup>52</sup> U.S. Office of Personnel Management. (2025, February 5). [Further guidance regarding ending DEIA offices, programs, and initiatives.](#)

<sup>53</sup> U.S. Office of Personnel Management. (2025, January 29; July 10 & 16). [Initial and updated guidance on Executive Order 14168.](#)

<sup>54</sup> U.S. Office of Personnel Management. (2025, February 28). [2025 Federal Employee Viewpoint Survey and compliance with recent executive orders.](#)

<sup>55</sup> U.S. Office of Personnel Management. (2025, May 29). [Merit hiring plan.](#)

and pronoun usage—were required to be revised to ensure compliance with new executive directives.

### Collective Bargaining Agreements (CBAs)

The administration issued a variety of guidance relating to collective bargaining in 2025. To support the government-wide return-to-office initiative, OPM directed agencies to implement telework changes without bargaining over the substance of those changes, limiting bargaining strictly to procedural matters.<sup>56</sup> With regard to reductions in force (RIFs), OPM advised that collective bargaining obligations may be limited by existing CBA terms, as well as by the fact that RIF procedures are mostly laid out in regulation.<sup>57</sup> Likewise, OPM advised agencies that their CBAs may contain terms relating to resignation, which could limit the bargaining required over Deferred Resignation Program policies, and that regulations likewise governed voluntary regulations, possibly further limiting the amount of required bargaining.<sup>58</sup>

Following these directions, OPM issued guidance on compliance with Executive Order 14251: “Exclusions from Federal Labor-Management Programs.” That order designated a list of agencies in the intelligence, counterintelligence, investigative, or national security community and stated that those agencies would be excluded from the provisions of the Federal Service Labor-Management Relations Statute (Chapter 71 of title 5 of the *U.S. Code*).<sup>59</sup> OPM’s subsequent guidance stated that the agencies listed in the Order no longer had collective bargaining obligations with regard to their employees, and therefore could and should align their performance management policies in accordance with the direction of the President and OPM without engaging in collective bargaining.<sup>60</sup> The guidance also directed those agencies to discontinue compliance with their existing CBAs, including following grievance and arbitration procedures.<sup>61</sup> The listed agencies were also instructed to discontinue compliance with requirements relating to the collection of union dues and the provision of official time to union representatives. Many of the actions taken by OPM in this space have been subject to litigation, and final outcomes are pending decisions by various courts and/or the Federal Labor Relations Authority.

### Merit System Implications of 2025 OPM Significant Actions

The changes to personnel policies initiated by OPM in FY 2025 present both potential benefits and challenges to the federal merit protection system. Several of OPM’s initiatives align with established research and expert recommendations, aiming to strengthen accountability for both employees and managers.<sup>62</sup> Studies emphasize continuous feedback, supervisor accountability, and clear performance differentiation as essential components of effective personnel systems.<sup>63</sup> OPM’s quarterly reviews and mandatory supervisory accountability elements align with these principles, as does its focus on linking

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<sup>56</sup> U.S. Office of Personnel Management. (2025, February 3). [Guidance on collective bargaining obligations in connection with return to in-person work](#).

<sup>57</sup> U.S. Office of Personnel Management. (2025, March 12). [Guidance on collective bargaining in connection with reductions-in-force](#).

<sup>58</sup> U.S. Office of Personnel Management. (2025, February 4). [Guidance on collective bargaining obligations in connection with deferred resignation offers](#).

<sup>59</sup> Executive Order, (2025, March 27). [“Exclusions from Federal Labor-Management Relations Programs,”](#) 90 Fed. Reg. 14553

<sup>60</sup> U.S. Office of Personnel Management. (2025, March 27). [Guidance on Executive Order Exclusions from federal labor-management programs](#).

<sup>61</sup> U.S. Office of Personnel Management. (2025, March 27). [Guidance on Executive Order: Exclusions from federal labor-management programs](#).

<sup>62</sup> U.S. Government Accountability Office. (2018, November 20). *Federal workforce: Opportunities exist for OPM to further innovation in performance management* ([GAO-19-35](#)).

<sup>63</sup> Partnership for Public Service, & Grant Thornton LLP. (2013, September). *Taking measure: Moving from process to practice in performance management* [[Report](#)].

rewards to performance outcomes.<sup>64,65</sup> Classification and assessment changes may ensure that federal job applicants have a clearer understanding of the positions for which they are applying and that their qualifications are assessed effectively for fit.<sup>66,67</sup> Reforms enhancing hiring transparency, and refining applicant assessment processes have long been considered essential to improving federal workforce effectiveness.<sup>68,69</sup> Studies by MSPB, GAO, and the National Association of Public Administration also highlight the importance of integrating training into workforce strategies, clarifying career paths, and investing in supervisory and executive development to strengthen organizational capacity.<sup>70,71,72,73,74</sup> OPM's focus on mandatory supervisory training, SES development programs, and technical certification for HR professionals reflects these priorities.

However, research also calls for building HR capacity, modernizing job architectures, and using analytics to guide restructuring decisions—areas where OPM's 2025 actions might appear less robust. As with any organization, research shows that more can be done to incorporate broader systemic reforms to the civil service—such as creating a governmentwide lifelong learning culture, embedding development into strategic workforce planning, and using data-driven evaluation to measure training effectiveness.<sup>75,76</sup> Additionally, certain reforms have raised public concerns regarding federal workforce reductions and diminished employee protections.<sup>77</sup> Specifically, reductions in employee appeal rights in adverse actions, streamlined removals for probationary employees, and the significant implementation challenges for agencies that have undergone rapid workforce restructuring without corresponding adjustments to mission scope might constrain the efficiency and effectiveness of the civil service in the short-term. For employees, changes in performance ratings and awards may lead to ratings being perceived as arbitrary or predetermined, creating disengagement. Reclassification of career policy-influencing positions into at-will positions will alter merit protections for these employees and may create the perception of viewpoint-based personnel decisions, implicating 5 U.S.C. § 2302(b)(10) and (b)(6). Given the fact that many of these changes are the subject of litigation, the possibility of policy confusion by federal stakeholders looms large as interested parties track numerous proposed reforms and their outcomes in the court system. These risks could undermine workforce stability and trust in the merit system.

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<sup>64</sup> U.S. Merit Systems Protection Board, Office of Policy and Evaluation. (2018). [The roles of feedback, autonomy, and meaningfulness in employee performance behaviors](#).

<sup>65</sup> U.S. Merit Systems Protection Board, Office of Policy and Evaluation. (2017). [Building blocks for effective performance management](#).

<sup>66</sup> U.S. Merit Systems Protection Board, Office of Policy and Evaluation. (2020). [The importance of job fit for federal agencies and employees](#).

<sup>67</sup> U.S. Merit Systems Protection Board, Office of Policy and Evaluation. (2014). [Revisiting position classification in the Federal Government](#).

<sup>68</sup> National Academy of Public Administration. (2017, July). *No time to wait: Building a public service for the 21st century* ([White paper](#)). NAPA.

<sup>69</sup> National Academy of Public Administration. (2018, September). *No time to wait, Part 2: Building a public service for the 21st century* ([White paper](#)). NAPA.

<sup>70</sup> National Academy of Public Administration. (2002). *Strengthening senior leadership in the U.S. government* ([Report](#)). NAPA.

<sup>71</sup> National Academy of Public Administration. (2003, August). *Leadership for leaders: Senior executives and middle managers* ([Report](#)). NAPA.

<sup>72</sup> National Academy of Public Administration. (2004, February). *Final report and recommendations: The 21st century federal manager* ([Report](#)). NAPA.

<sup>73</sup> U.S. Government Accountability Office. (2018, December 12). *Federal workforce: Key talent management strategies for agencies to better meet their missions* ([GAO-19-181](#)).

<sup>74</sup> U.S. Merit Systems Protection Board, Office of Policy and Evaluation. (2014). [Shaping a quality workforce: Federal leadership development](#).

<sup>75</sup> U.S. General Accounting Office. (2004, January 30). *Human capital: Selected agencies' experiences and lessons learned in designing training and development programs* ([GAO-04-291](#)). U.S. Government Accountability Office.

<sup>76</sup> U.S. General Accounting Office. (2004, March). *Human capital: A guide for assessing strategic training and development efforts in the federal government* ([GAO-04-546G](#)). U.S. Government Accountability Office.

<sup>77</sup> Partnership for Public Service. (2025, April 24). *New Partnership for Public Service polling shows majority of the American public concerned about cuts to the federal workforce and government services* ([Report](#)).

Collectively, OPM's 2025 policy agenda is poised to reshape the federal civil service for years to come. If these changes are not evaluated carefully for the risk of prohibited personnel practices, agencies may be unable to interpret and apply new rules meritoriously while simultaneously addressing staffing shortages, reskilling efforts, and heightened OPM oversight into personnel matters. At a minimum, agencies must prioritize implementing these policy changes in a manner consistent with merit system principles. If implementing aspects of the policies creates PPP risk, agencies need to communicate this to OPM and seek to clarify and eliminate those risks. Additionally, it will be critical to provide ongoing, comprehensive MSP training to human resources professionals and frontline managers charged with executing new policies and rigorously monitoring the effects across human resources, labor relations, equal employment opportunity, and performance management functions. While developing a structured and fair compliance strategy may prove challenging—particularly in balancing efficiency with adherence to merit principles—such approaches are paramount.



U.S. Merit Systems Protection Board 1615 M Street, NW  
Washington, DC 20419

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