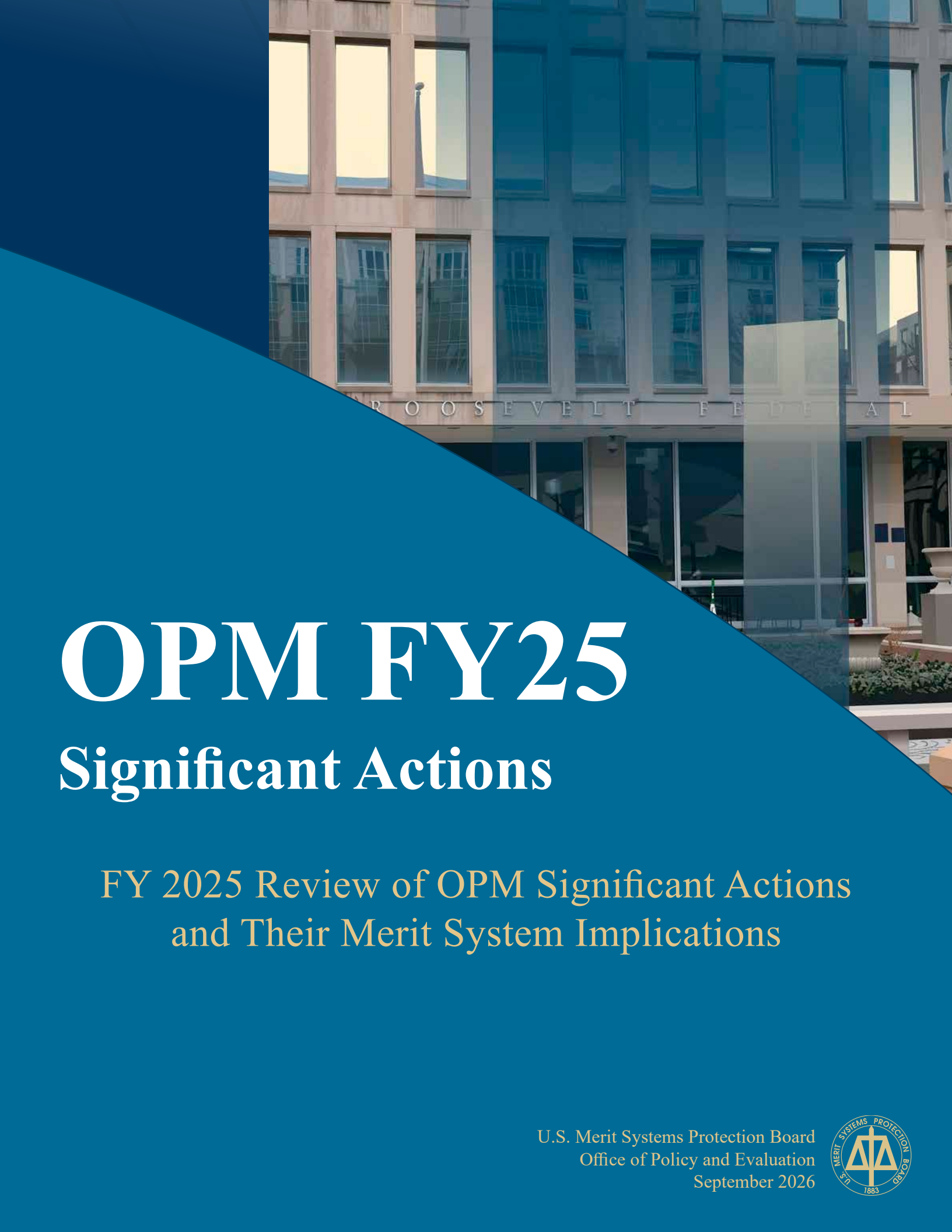




OPM FY25

Significant Actions

FY 2025 Review of OPM Significant Actions
and Their Merit System Implications

U.S. Merit Systems Protection Board
Office of Policy and Evaluation
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Introduction

This publication brief summarizes selected significant actions taken by the U.S. Office of Personnel Management (OPM) during FY 2025 and organizes those actions by major policy theme. It is intended as a standalone snapshot of the FY 2025 review cycle, not as a continuously updated inventory.

The brief is grounded in MSPB’s statutory oversight role. Under 5 U.S.C. § 1206, MSPB’s annual report must review significant actions of OPM and analyze whether those actions are in accord with the merit system principles and free from prohibited personnel practices. That mandate connects OPM policy monitoring directly to MSPB’s broader responsibility to help protect the Federal merit systems.

This format is also intended to support longitudinal tracking. By preserving the FY 2025 policy picture in a compact publication brief and repeating the exercise for FY 2026, MSPB can identify changes in OPM policy focus, recurring implementation risks, and evolving implications for merit system values over time.

Because the brief is a snapshot, readers should consult subsequent OPM issuances, litigation developments, agency implementation guidance, and MSPB publications for updates after the FY 2025 review period.

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Actions

Snapshot of FY 2025 OPM significant actions

Organized across seven policy theme areas to support MSPB review, publication, and longitudinal tracking.

Theme overview

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OPM Significant Actions



Performance Management

9 significant actions

1	Standardized Fiscal-Year Appraisal Cycles Agencies must transition non-SES/SP employees to a governmentwide fiscal-year appraisal cycle by Oct. 1, 2026, and SES/SP by Oct. 1, 2025, ensuring consistent performance periods across government.
2	Performance Differentiation and Rating Controls OPM restricts top ratings for federal employees with forced rating distributions for most staff, limiting pass/fail ratings to specific roles and requiring senior executives supervising 10+ employees to report subordinate rating distributions to ensure compliance.
3	Mandatory Supervisory Accountability A new critical element titled “Holding Employees Accountable” must be added to non-SES/SP performance plans within 30 days of June 17, 2025, with associated required training for supervisors and managers.
4	Awards Policy Reforms Awards targeted for numerically capped proportion of agency high performers, reserving at least 60% of bonus pools for Level 4–5 performers, and forbidding awards for those rated below Fully Successful. Compliance plans and results to be submitted to OPM.
5	New Senior Executive Service (SES) and Senior Professional (SP) Appraisal Systems Both SES and SP appraisal systems require quarterly documented progress reviews, rating distribution guidance limits top ratings to approximately 30%, and stricter pay and award differentiation rules. Performance plans must be updated to remove DEI language.
6	Expedited Removals for Poor Performers on Policy Schedules New career schedules allow agencies to expedite removal of poor performers in confidential, policy-determining, policy-making, or policy-advocating roles.
7	Post Appointment Suitability Determinations Agencies can take suitability and fitness actions against current federal employees for infractions occurring after appointment. Infractions can include misconduct, negligence in federal duties, criminal conduct, and dishonesty.

8	Improving Poor Performance Performance Improvement Plans (PIPs) limited to 30 business days. Effective PIPs will include measurable goals, timelines, and consequences if the goals are not met. Suspensions are no longer required in advance of removals, nor is strict adherence to a table of penalties, or an agency history of similar penalties for similar offenses. Agencies may take Chapter 75 adverse actions for poor performance. Chapter 75 adverse actions do not require the use of a PIP.
9	Reporting and Compliance Requirements Agencies must report implementation progress, policy changes, and performance action data by July 31, 2025, and quarterly thereafter, including submitting awards compliance plans and results according to OPM templates.



Workforce Restructuring

13 significant actions

1	Hiring Freeze and Oversight In Jan. 2025 OPM implemented hiring freezes on most external hiring, directed agencies to revoke pending job offers, and centralized oversight to approve exemptions. Contracting out work prohibited. Monthly hiring reports required.
2	Agency Reduction in Force (RIF) and Reorganization Framework Directives Eliminates non-statutory functions at agencies and mandates headcount reductions. Agencies must submit phased RIF plans with explicit targets and use tools including hiring freezes, RIFs, probationer reviews, and removals for performance issues. Progress reports required.
3	Targeted RIFs for DEIA Offices Mandated targeted reduction-in-force actions focused on Diversity, Equity, Inclusion, and Accessibility (DEIA) offices and environmental justice functions. Agencies directed to terminate DEIA offices and issue RIF notices that defined the competitive area as the DEIA office, by Jan. 31, 2025, resulting in immediate separations.
4	Probationary Period Scrutiny and Implementation of Affirmative Certification Agency reviews of personnel on probation mandated. Probationary periods extended to the excepted service. Agencies implement affirmative certification of probationary employees to continue employment. Agencies should designate at least the second-line supervisor, or higher as the evaluator of probationary employees. Absence of certification leads to termination using OPM-provided templates. Merit Systems Protection Board (MSPB) jurisdiction removed to adjudicate terminated probationary employees' appeals.
5	Hiring Process Changes Agencies must adopt skills-based competitive hiring, eliminate unnecessary degree requirements, and reduce time-to-hire to under 80 days using shared certificates and standardized position descriptions. Leadership approvals required on hiring selections.

6	Mandatory Use of Assessments in Hiring Process Competitive hiring processes must include at least one technical assessment before issuance of the hiring certificate. Agencies encouraged to use multiple hurdle assessments to rank candidates. Implements the Rule of Many whereby agencies can establish minimum passing scores for assessments to certify sufficient job candidates.
7	Governmentwide Recruitment Focus Areas Emphasizes recruitment of STEM talent, early career talent and veterans.
8	Eliminated Workforce Diversity Considerations in Federal Hiring and Promotion Prohibits strategic workforce diversity initiatives in hiring, recruitment, retention, or promotion decisions. Ends special emphasis programs or agency initiatives targeted at these groups. Ends agency data collection and dissemination on workforce race, sex, color, religion or national origin.
9	Screening Job Applicants for Patriotism New federal hires above GS-5 asked to write essays describing commitment to the Constitution, career demonstrations of strong work ethic, support for the President's priorities, and ability to make government more efficient and effective.
10	OPM Talent Team Creation Launches an OPM Talent Team to promote the adoption of skills-based assessments, pooled hiring through shared certificates, subject matter expert (SME)-led résumé and interview evaluations, and to incorporate leadership interviews and sign-off as part of the hiring process. Cost per hire, speed of hire, and quality of hire metrics to be collected.
11	Schedule Policy/Career for Career Policy-Influencing Positions Agencies must review and petition to move certain career policy roles into a new excepted service category called Schedule Policy/Career, which exempts them from standard adverse-action procedures/civil service protections.
12	Schedule G for Non-Career Roles New Schedule G established for non-career policy-making and advocacy positions, requiring specific appointment documentation and routing through OPM and the White House liaison, expanding excepted service hiring channels. Employees serve only for a President's term.
13	New SES Hiring Process SES hiring process reforms include an 80-day hiring process for executives, résumé-only applications, structured interviews in lieu of ECQ narratives, and mandatory assessments.



Benefits and Flexibilities, Workplace Flexibility Policy Changes

4 significant actions

1

Full-Time In-Person Work Policy

Agencies must revise telework policies to require eligible employees to work full-time at their duty stations, allowing exemptions only for disability, medical conditions, or other compelling reasons certified by supervisors. Duty stations must be reset if located more than 50 miles from agency offices.

2

Return-to-Office (RTO) Implementation Plans

Agencies must submit RTO plans by February 7, 2025, detailing telework agreement revisions, collective bargaining alignment, permanent worksite determinations, relocation analyses for duty stations over 50 miles, and exemption frameworks including categorical exemptions for military and Foreign Service spouses.

3

New Leave Categories

New administrative, investigative, and notice leave categories introduced, with reporting to OPM's EHRI, 6-year record retention, and use of sample notices. New leave categories started in January 2025, requiring agencies to update policies by September 13, 2025.

4

Health Insurance Reductions for Gender Transition Health Care

FEHB/PSHB health insurance carriers prohibited from covering pediatric gender transition surgeries or hormone replacement services starting in 2026. Exceptions for traumatic injuries or medical conditions possible and agencies to train HR help desks on exceptions and appeals processes. Counseling services for gender dysphoria still covered.



Position Classification

5 significant actions

1

Plain-language Job Titles and Descriptions

Agencies must adopt clear, functional working titles in announcements while retaining official titles for records. They are required to audit and revise titles and position descriptions (PDs) to align with evolving roles and avoid jargon, particularly modernizing STEM-related titles to mirror private-sector terms.

2

Position Description (PD) Audits and Revisions

PDs to be audited and revised to ensure accuracy and use standardized formats for common jobs. When posting new positions in series covered by USAHire, agencies to use standardized PDs. Degree requirements that are unnecessary to be removed from PDs.

3	SES Designation Reviews Agencies must review SES career-reserved designations, reverting certain positions to SES General. Agencies to submit revised truncated agencywide lists of career-reserved SES positions and redesignation requests by specified deadlines, with CIO and CHCO career-reserved positions required to be redesignated to SES General.
4	New SES Executive Core Qualifications (ECQs) New ECQ framework introduced emphasizing rule of law, efficiency, and administration alignment. Support for administration priorities required of new executive hires. DEIA competencies removed; AI, data literacy, and systems thinking competencies added.
5	Policy Position Classification Agencies required to conduct 90-day reviews to identify policy-influencing roles, petitioning OPM to assign them to a new Schedule Policy/Career excepted service. Transfers to Schedule Policy/Career for current competitive service employees in these roles mandated. Schedule G established for non-career policy-making and advocacy positions. New schedule exempts these employees from Chapter 75 adverse action procedures.



Career Development

7 significant actions

1	Agency Talent Teams Agencies must create cross-functional Talent Teams, designate Delegated Examining (DE)-certified roles, expand use of pooled hiring, and enroll staff in OPM training, formalizing training pathways and identifying master trainers.
2	Supervisory Training and Development Initiatives Agencies must integrate a mandatory supervisory critical element focused on accountability and align supervisory training with 5 CFR part 412, updating individual development plans (IDPs) and learning management systems (LMS) tracking accordingly.
3	Potential Delegated Examining (DE) Certification Requirements Agencies can require DE Certification as a condition of employment or selective factor for HR staffing roles, providing structured training, on-the-job training (OJT), and assessments with tracking for certification maintenance.
4	Human Capital Framework Evaluator Training Agencies to nominate staff for OPM's virtual evaluator training to enhance human capital evaluation capabilities.

5	Veterans Employment Training Agencies must deploy OPM’s Veterans Employment Training modules annually to HR practitioners and hiring officials, integrating completion into onboarding and refresher training cycles.
6	SES Talent Development Updates Agencies directed to revise SES talent development policies to align with new SES ECQs, incorporate executive assessments into selection and development pipelines, and support coaching activities. Executive Resources Board (ERB) composition to include non-career executives and support agency executive development and management.
7	SES and Senior Professional Appraisal Systems New appraisal systems require executive development plans, documented quarterly progress reviews to support developmental feedback, and training for executives and rating officials.



DEIA and Gender Policies

4 significant actions

1	Dismantle DEIA Offices and Remove DEIA Branding Agencies must close DEIA offices, place staff on administrative leave, withdraw DEIA-related materials, and remove all DEIA branding content from platforms. They must also inventory DEIA-related contracts and positions and submit RIF plans and notices promptly, with only legally mandated functions retained.
2	Termination of DEIA Employee Resource Groups Employee resource groups and special emphasis programs related to DEIA policies ordered to terminate.
3	Policy Terminology and Facility Designation by Sex OPM mandated replacing “gender” with “sex (biological)” in all personnel policies, forms, and HR systems. The Federal Employee Viewpoint Survey (FEVS) and other agency surveys must remove inconsistent DEIA and gender-identity content. Facilities and programs must be designated by biological sex to align with revised workforce policies and compliance requirements. Status reports on compliance required.
4	Workforce Policy Communication Revisions Agencies should prepare employee communications reflecting cessation of health insurance coverage for gender transition services in 2026. Workforce rules such as dress codes and pronoun usage must be updated to ensure policy compliance with new orders.



Collective Bargaining Agreements (CBAs)

4 significant actions

1	No Bargaining Return-to-Office Policies Agencies must implement telework policies and eligibility as a management right, limiting bargaining to procedural issues.
2	RIF Bargaining Procedures Bargaining related to Reduction in Force is limited to procedural matters under 5 CFR part 351 regulations.
3	Deferred Resignation Bargaining Deferred Resignation programs require bargaining only on discrete, negotiable topics, not already covered by CBAs.
4	Exclusion of Certain Agencies from Collective Bargaining For designated agencies or subdivisions, chapter 71 no longer applies; CBAs must be terminated, grievance and arbitration participation ceased, and policies realigned without bargaining. Agencies excluded from CBA requirements no longer required to implement PIPs prior to performance-based removals. Designated agencies directed to discontinue collection of union dues and reassign union representatives to agency duties. Note: the directive applies to numerous large- and medium-sized Federal agencies, either in whole or through specified agency subdivisions.

Published Annual Report Narrative

The full annual report narrative for “Review of the U.S. Office of Personnel Management’s Significant Actions” is available in the MSPB FY 2025 Annual Report. This publication brief does not reprint that narrative so it can remain a standalone companion product focused on the FY 2025 OPM significant actions snapshot.

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5 U.S.C. §§ 2301(b), 2302(b).

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MSPB Statutory Context

5 U.S.C. § 1206. MSPB annual report requirement, including review of OPM significant actions

5 U.S.C. § 2301. Merit system principles

5 U.S.C. § 2302. Prohibited personnel practices