Founding Charter Future-Ready Government Services Agency (FRGSA)

1. Mission and Vision

Mission: The Future-Ready Government Services Agency (FRGSA) is dedicated to accelerating the responsible, secure, and effective adoption of artificial intelligence (AI) across the federal government. It strives to improve government operations and public services through innovation while fostering public trust, protecting citizens' rights, and upholding American values <u>1</u>. FRGSA will empower agencies to harness AI in ways that enhance efficiency, reduce costs, and deliver better outcomes for the American people.

Vision: FRGSA envisions a future-ready federal enterprise where AI-driven solutions are seamlessly integrated into government services. In this future state, agencies provide high-quality, personalized, and timely digital services to the public, supported by data-driven decision-making and an AI-ready workforce. The vision of FRGSA is a government that leads in AI innovation to maximize public value—one that is transparent, equitable, and accountable in its use of AI technologies, setting a model for trustworthiness and excellence in the public sector.

2. Background and Justification

Establishment and Policy Context

The establishment of FRGSA comes in response to a confluence of federal directives and growing operational needs. In December 2020, **Executive Order 13960** laid the groundwork by directing federal agencies to **"design, develop, acquire, and use AI"** in ways that **foster public trust and confidence while protecting privacy, civil rights, civil liberties, and American values 1**.

The establishment of the Future-Ready Government Services Agency (FRGSA) addresses the need for a centralized entity to guide AI adoption across federal agencies responsibly and effectively. Rooted in federal directives like Executive Order 13960, which emphasizes ethical AI use, FRGSA aligns with national frameworks such as NIST's AI Risk Management Framework and the AI Bill of Rights. By 2024, over 1,700 AI use cases were reported, highlighting the urgency for coordinated governance. Created under the Office of Management and Budget's (OMB) directive in 2025, FRGSA aims to fill gaps in expertise, infrastructure, and governance, serving as a model for innovation while ensuring public trust. Its mandate includes piloting AI solutions, establishing standards, and supporting agencies in building an AI-ready workforce, all while adhering to transparency, accountability, and fairness principles.

This order established clear principles for AI use in government and called on agencies to catalog their AI use cases, while tasking entities like the General Services Administration

(GSA) and Office of Personnel Management (OPM) to enhance AI expertise across government <u>2</u>. The message was unequivocal: agencies should leverage AI to improve operations and services **"in a manner that fosters public trust"** and remains consistent with laws on privacy and civil rights.

Building on that foundation, federal activity in AI governance has rapidly accelerated. By 2024, agencies reported over **1,700 AI use cases**, more than double the previous year's total, with projects spanning improved operational efficiency, decision support, and customer service delivery <u>3</u>. This surge reflects both the opportunities of AI and the recognition that a coordinated approach is required to manage its risks. The **National Institute of Standards and Technology (NIST)** released its AI Risk Management Framework (AI RMF 1.0) in January 2023 as voluntary guidance to help organizations incorporate **trustworthiness considerations** (e.g. safety, privacy, fairness) into the design, development, use, and evaluation of AI systems <u>4</u>. Meanwhile, the White House's Office of Science and Technology Policy introduced a "Blueprint for an AI Bill of Rights" outlining principles to protect the public in the age of AI, and the National AI Initiative Act established structures for federal AI research and policy coordination. Together, these policies and frameworks underscored the need for a central entity to model and guide AI innovation in government in a secure and ethical manner.

In early 2025, the Office of Management and Budget (OMB) took decisive steps that directly led to FRGSA's creation. On April 3, 2025, OMB issued two government-wide memoranda to **"accelerate Federal use of AI"** and to drive **"efficient acquisition of AI"** across agencies <u>5</u>. OMB Memorandum M-25-21, *Accelerating Federal Use of AI through Innovation, Governance, and Public Trust,* directs agencies to adopt a **"forward-leaning, pro-innovation"** stance on AI and to **provide improved services to the public while maintaining strong safeguards for civil rights, civil liberties, and privacy** <u>7</u>. Simultaneously, OMB Memorandum M-25-22, *Driving Efficient Acquisition of Artificial Intelligence in Government,* provides guidance for timely and trustworthy procurement of AI solutions, emphasizing competition, interoperability, and risk management in AI acquisitions <u>8</u>. These memos build on earlier frameworks (including the principles of EO 13960 and subsequent guidance) and signal a shift to a "more agile, cost-effective, and efficient" approach in deploying AI tools across government <u>10</u>.

FRGSA was formally established in mid-2025 by OMB directive under the authority of the Paperwork Reduction Act and the Federal CIO Council's mandate to advance emerging technologies. As a new federal agency operating under the Executive Office of the President, FRGSA's charter is to serve as a centralized hub and model for AI adoption best practices. Its creation is justified by critical needs: individual agencies often lack the specialized talent, data infrastructure, or governance mechanisms to implement AI responsibly at scale. FRGSA addresses these gaps by providing government-wide leadership, shared services, and guidance that no single agency could develop as effectively on its own. In essence, FRGSA is both a **center of excellence** and an **implementation catalyst** – piloting cutting-edge AI solutions for high impact government services, establishing standards and policies for trustworthy AI, and disseminating expertise and tools to all agencies.

Alignment with Federal Initiatives

FRGSA's mandate aligns with and supports broader federal initiatives and legal requirements. It directly advances goals from the **Advancing American AI Act (2022)**, which calls for a coordinated approach to AI innovation and governance in government operations. It also fulfills roles anticipated by EO 13960 and its successors by **enhancing AI implementation expertise** (per EO 13960's call for GSA/OPM support) and by creating an inventory of AI use cases and best practices that agencies can leverage. FRGSA will work closely with the Federal Chief Information Officers Council and the Federal CDO (Chief Data Officer) Council to ensure consistency with government-wide data strategies and the Federal Data Strategy Action Plan. Moreover, FRGSA is positioned to operationalize components of the **National AI Strategy** and the **Federal AI R&D Strategic Plan** by acting as a bridge between policy and practice—turning high-level principles into on-the-ground solutions.

OMB has charged FRGSA with modeling approaches that can be replicated broadly. As such, FRGSA will lead by example in the development of trustworthy AI, demonstrating compliance with NIST's AI RMF and the AI **principles of transparency, accountability, fairness, and security**. The Agency's existence is a proactive measure to ensure that as AI adoption grows, it does so in a **secure, well-governed, and equitable** fashion across the federal enterprise. FRGSA's charter thus reflects a commitment at the highest levels of government to make the federal bureaucracy not only more **innovative and efficient** but also **mindful of risks and public trust** when using AI.

3. Strategic Goals and Critical Needs Pillars

FRGSA has identified a set of strategic goals that drive its programs. These goals focus on outcomes such as improving service delivery, increasing operational efficiency, safeguarding ethical standards, and building long-term capacity for AI innovation. To structure its efforts, FRGSA is organized around six **"Critical Needs" pillars** – priority areas where AI can significantly transform government services and operations. Each pillar represents a strategic initiative addressing a core mission need or opportunity for the federal government.

Together, these six pillars form the foundation of FRGSA's action plan and resource allocation.

Strategic Goals:

- **Improve Public Services through AI:** Leverage AI to enhance the quality, accessibility, and timeliness of government services, resulting in higher citizen satisfaction and better mission outcomes.
- **Increase Efficiency and Cost-Effectiveness:** Use AI tools to streamline processes, reduce administrative burdens, and generate cost savings in federal operations, delivering more value to taxpayers <u>6</u>.
- **Ensure Responsible and Trustworthy AI Use:** Implement robust governance, risk management, and ethical oversight so that all AI deployments uphold privacy, security, fairness, and transparency, maintaining public trust <u>1</u>.

- **Build an AI-Ready Workforce:** Develop federal workforce skills and organizational capacities in AI and data science, enabling employees at all levels to effectively use and manage AI solutions.
- **Modernize Data and Technology Infrastructure:** Establish the data, cloud, and computing infrastructure necessary for advanced AI, ensuring interoperability and scalability of AI solutions across agencies.
- **Promote Innovation and Collaboration:** Act as a testbed for AI innovation and facilitate cross-agency collaboration, knowledge sharing, and public-private partnerships to accelerate the adoption of proven AI solutions government-wide.

Below are the six Critical Needs pillars that correspond to these goals, each detailing a flagship initiative or focus area for FRGSA:

3.1 Pillar 1: Digital Benefits Portal

Objective: Transform the delivery of federal benefits and social services by creating a onestop **Digital Benefits Portal** for citizens. This pillar addresses the need for a unified, usercentric digital platform where Americans can discover, apply for, and manage government benefits and services (across programs such as healthcare, education, veterans' assistance, housing, etc.) in an intuitive way.

Initiative: FRGSA will design and pilot an AI-enabled benefits portal that uses intelligent assistants and personalization. This portal will guide users through eligibility screening and application processes with AIdriven chat support (for example, answering common questions and helping fill forms). Advanced analytics will proactively notify beneficiaries of benefits they might qualify for, reducing barriers to access. The system will integrate data across agencies (with appropriate privacy safeguards) to allow **life event-based services** – for instance, if a citizen loses a job, the portal could suggest unemployment insurance, job training programs, and healthcare options in one place. By FY2026, the goal is to have a functional prototype used by a subset of agencies (e.g. Department of Labor and Department of Education) and to expand it to all major benefit programs by FY2027. This pillar exemplifies using AI to improve the **customer experience** of government, aiming for faster benefit delivery, fewer errors, and greater equity in access (ensuring eligible individuals are aware of programs). Success will be measured in increased uptake of benefits, reduced application times, and high user satisfaction ratings.

3.2 Pillar 2: Smart Procurement Hub

Objective: Modernize federal acquisition and procurement processes through AI, making them more efficient, transparent, and strategic. The **Smart Procurement Hub** will tackle challenges in how agencies solicit, evaluate, and manage contracts, especially for emerging technologies.

Initiative: FRGSA will establish a centralized AI-driven procurement platform that assists contracting officers and program managers across agencies. Key features will include: AI tools for analyzing past contract performance and pricing data to inform better procurement planning; machine learning models that can review proposals or bid submissions for compliance and risk flags; and intelligent matchmaking systems to help

identify qualified small businesses and innovative vendors. The Hub will also pilot a chatbot or virtual assistant that can answer procurement policy questions (e.g. Federal Acquisition Regulation queries) and guide officials through complex procurement steps. This pillar meets the critical need for speed and insight in acquisition: by leveraging AI, the government can cut down procurement cycle times and identify the **"best value"** solutions more effectively <u>7</u>. For example, an AI agent might quickly analyze thousands of contractor reports to find which vendors have the best on-time delivery record for certain products. FRGSA's Smart Procurement Hub will initially be tested with select agencies (such as GSA's Federal Acquisition Service) in FY2025–26, with a target to reduce procurement administrative lead times by 20% by FY2027. This pillar supports a more agile government that can acquire AI and other technologies in a timely, cost-effective manner <u>11</u>, while also increasing oversight to prevent waste or bias in contract awards.

3.3 Pillar 3: AI-Ready Workforce Initiative

Objective: Ensure the federal workforce is prepared to effectively use and manage AI systems by investing in training, education, and talent acquisition. The **AI-Ready Workforce Initiative** addresses the critical need for human capital development in an AI-driven government.

Initiative: FRGSA will coordinate a comprehensive program to upskill current federal employees and attract new talent with AI expertise. This includes developing governmentwide AI training curricula and certification programs, in partnership with OPM and agency Chief Human Capital Officers. Annual training programs (some offered government-wide through platforms like AI.gov) will teach foundational AI concepts, ethical use of AI, data literacy, and specialized skills for technical staff (such as machine learning engineering or data science). FRGSA will also help agencies establish AI Talent Programs - for example, an expansion of the Presidential Innovation Fellows or new **AI Fellowship rotations** – to bring in private sector and academic AI experts for tours of duty in government. Another aspect of this pillar is guiding agencies to create new career paths and positions (like Chief AI Officers or AI portfolio managers) and to update job classifications to reflect AI competencies. The intended outcome is a federated network of AI practitioners and informed users across every agency. By FY2027, the goal is to have at least 5,000 federal employees complete AI upskilling programs, and each CFO Act agency to have designated AI leadership and a trained cadre of staff. This human-centered approach recognizes that AI adoption is as much about people and culture as technology – empowering employees to confidently use AI will accelerate innovation and ensure accountability and ethical awareness are embedded in daily operations.

3.4 Pillar 4: Data and Technology Infrastructure Modernization

Objective: Build the foundational digital infrastructure required for AI innovation, including data platforms, cloud computing resources, and interoperability frameworks. This pillar acknowledges that agencies need robust **data ecosystems** and scalable technology environments to fully leverage AI capabilities.

Initiative: Under FRGSA's leadership, a government-wide **Next-Generation Data Infrastructure** program will be launched. This involves creating a federated data platform (or catalog) that allows agencies to discover and securely share high-quality datasets for AI development, consistent with all privacy and security regulations. FRGSA will partner with the Federal CDO Council to identify high-value datasets (e.g., geospatial data, demographics, regulatory data, etc.) and implement standards for data interoperability and metadata tagging. Investments will be made in cloud-based AI sandboxes and test environments where agencies can experiment with AI models on anonymized or synthetic data before live deployment. FRGSA will also issue guidance and reference architectures for AI development pipelines, leveraging FedRAMP approved cloud services and ensuring alignment with zero-trust security frameworks. This pillar addresses critical needs around **technology modernization** – moving away from siloed legacy IT systems towards a more integrated, flexible infrastructure that can support advanced analytics and machine learning. Milestones include standing up a prototype of a **Government Data Lake/Exchange** by mid-FY2026 that connects at least 5 major agencies, and deploying shared services for AI (like pre-trained models and APIs available as a service to agencies) by FY2027. By providing common infrastructure and tools, FRGSA will reduce duplication of efforts and lower the barrier to entry for agencies embarking on AI projects.

3.5 Pillar 5: Trustworthy AI Governance and Policy Framework

Objective: Establish and uphold a governance framework that ensures all AI use in the federal government is ethical, transparent, and accountable. The **Trustworthy AI Governance** pillar is about creating the policies, standards, and oversight processes to manage AI risks and maintain public trust in government AI systems <u>1</u>.

Initiative: FRGSA will develop a comprehensive AI governance framework in collaboration with OMB, OSTP, and NIST. This framework will incorporate the NIST AI Risk Management Framework (AI RMF) and the principles from the AI Bill of Rights, translating them into actionable federal policies and checklists. Key components include: guidelines for conducting AI impact assessments and algorithmic bias testing before deployment; standard processes for **AI Use Case Inventory** reporting (as required by EO 13960 Section 5) to catalog AI systems in use; and policies for peer review or independent audit of highrisk AI systems. FRGSA will also chair a **Risk & Ethics Board** (see Section 5 on Governance) that evaluates proposed AI projects for compliance with ethical standards and legal requirements (such as privacy, civil rights, and procurement laws). The pillar further involves publishing government-wide standards on AI transparency – for instance, requiring agencies to provide plain-language explanations for AI-driven decisions that affect individuals (in line with principles of explainability). By FY2026, FRGSA aims to issue a "Federal AI Governance Handbook" as official guidance, and pilot an interagency AI oversight process on select highimpact systems (e.g., AI used in eligibility determinations or law enforcement) to refine that process. Ultimately, this pillar ensures that even as AI use expands, strong safeguards and accountability measures are in place, so that the government's use of AI is consistently worthy of the public's trust 1.

3.6 Pillar 6: Intelligent Automation of Internal Operations

Objective: Leverage AI to streamline internal government operations and administrative processes, reducing manual workloads and improving accuracy. This pillar focuses on **Intelligent Automation** – deploying AI (including machine learning and robotic process automation) to handle routine tasks and assist in complex workflows across agencies.

Initiative: FRGSA will coordinate a series of pilot projects that apply AI to common administrative functions. Examples include: automating financial management tasks (like invoice processing and anomaly detection in payments) using AI-driven tools; implementing natural language processing to sort and route large volumes of correspondence or public comments to the appropriate offices; and using predictive analytics for maintenance of federal facilities (by forecasting equipment failures or optimizing resource allocation). FRGSA will create an "Automation Playbook" identifying high-impact, low-risk opportunities for AI-based automation in areas such as human resources (resume screening, HR FAQs chatbot), travel processing, grants management, and records management. Each pilot will be measured for time saved and error rate reduction. A notable initiative under this pillar is the development of an AI-powered virtual assistant for federal employees, which can answer common IT support questions or assist with research by pulling information from agency knowledge bases—essentially improving employee productivity. By demonstrating successes in these domains, FRGSA will help scale proven solutions across multiple agencies. The expected results by FY2027 include at least 10 major administrative processes in various agencies being augmented or automated by AI, yielding quantifiable improvements (e.g., 30% reduction in processing time for targeted processes, and significant cost savings). This pillar directly contributes to FRGSA's strategic goal of increasing operational efficiency and allows federal personnel to focus more on high-value work by offloading routine tasks to trustworthy AI assistants.

4. Success Metrics and Key Performance Indicators (FY25-FY27)

To evaluate progress and ensure accountability, FRGSA has defined clear success metrics and Key Performance Indicators (KPIs) for FY2025 through FY2027. These metrics align with the strategic goals and critical needs pillars, providing quantifiable targets wherever feasible. FRGSA leadership will track these KPIs quarterly and report on them annually to OMB and Congress as part of oversight. Key success metrics include:

- **Citizen Service Impact:** Percentage of federal benefit programs accessible through the **Digital Benefits Portal**. *Target:* 50% of major benefit programs integrated by end of FY26; 90% by end of FY27. Also, **user satisfaction scores** for the portal (e.g., target an average satisfaction of 4+ out of 5 by FY27) and reduction in average benefit application processing time by 25%.
- **Procurement Efficiency:** Reduction in average procurement acquisition lead time for pilot agencies using the **Smart Procurement Hub**. *Target:* 20% faster contract award times by FY27 compared to FY25 baseline. Additionally, an increase in competition (number of bids per solicitation) in AI-related procurements facilitated by the Hub, indicating a more accessible marketplace.
- Workforce Capacity: Number of federal employees trained or certified in AI skills under the AIReady Workforce Initiative. *Target:* 2,000 personnel completing basic AI training by FY26; 5,000 by FY27. Each CFO Act agency to have at least one AI training program launched by FY26. Also track hiring of AI specialists (e.g., data scientists, ML engineers) aiming for each major agency to onboard at least 2 new AI experts through FRGSA-facilitated programs by FY27.

- Infrastructure & Data Readiness: Deployment of the Next-Gen Data Infrastructure – measured by count of interagency data assets or datasets available on the FRGSA-facilitated data platform. *Target:* 100 high-value datasets shared across agencies by FY27. Uptime and performance metrics for AI sandbox environments (target 99% uptime and defined support to at least 10 agencies' AI pilot projects by FY26).
- **Governance and Trust:** Adoption of the **AI Governance Framework** by agencies e.g., number of agencies that have implemented FRGSA's AI risk management policies or conducted AI risk assessments. *Target:* All 24 CFO Act agencies establish an AI Inventory and risk assessment process by FY26, with 100% compliance in reporting AI use cases as required by policy <u>2</u>. Also, zero incidents of major AI system failures or ethical breaches in FRGSA-led projects (tracked continuously).
- Automation Outcomes: Efficiency gains from Intelligent Automation pilots such as hours of manual work saved. *Target:* Cumulatively, 50,000 federal employee hours saved by automation by end of FY27 (across all projects under this pillar). Error rates or backlog reduction in processes after AI implementation (target at least 20% improvement in accuracy or throughput for targeted processes).
- **Cross-Agency Engagement:** Participation levels and stakeholder engagement for instance, number of agencies actively collaborating with FRGSA on projects (target: 15 agencies by FY26, 25 by FY27) and number of public-private partnership initiatives launched (at least 5 by FY27).
- **Public Trust and Transparency:** Metrics such as the percentage of FRGSA projects that publish **transparent reports or model cards** describing their AI, and the number of public outreach events or AI "demonstration days" hosted. *Target:* 100% of major AI systems developed have public-facing summaries by FY27; at least semi-annual public engagement sessions to discuss FRGSA's work.
- **Budget Execution and Savings:** Efficient use of funds e.g., FRGSA meeting 95% of its planned milestones on budget. Additionally, track cost savings or avoidance for the government attributable to FRGSA's initiatives (target a cumulative \$50+ million in cost avoidance/savings by FY27 through shared services, improved procurement pricing, or process efficiencies).

Each KPI will have an identified owner within FRGSA's divisions and will be reviewed by the FRGSA Administrator in quarterly performance reviews. These metrics not only demonstrate success but also help identify areas requiring course-correction, ensuring that FRGSA remains results-oriented in delivering on its mission.

5. Governance Model and Decision-Making Layers

FRGSA's governance model is designed to ensure both strong executive leadership and inclusive, ethical oversight of its AI initiatives. The organizational decision-making is structured in layers that provide clear authority, accountability, and expert input:

• **Administrator (Agency Head):** The FRGSA Administrator serves as the chief executive of the Agency, appointed by the President (or designated by OMB) with

responsibility for overall strategic direction and performance. The Administrator has the authority to approve major initiatives, allocate resources, and represent FRGSA in interagency and public settings. In the governance model, the Administrator chairs the top-level **Executive Council** of the agency and is ultimately accountable for ensuring FRGSA meets its mission and complies with all governing laws and policies. All critical policy decisions and external partnerships are approved at this level. The Administrator regularly reports to the OMB Deputy Director for Management or a designated oversight official on progress and issues, ensuring alignment with Administration priorities.

- Deputy Administrators: FRGSA will have two Deputy Administrators, each overseeing key portfolios and internal operations. One Deputy Administrator for Programs and Innovation will supervise the execution of the six Critical Needs pillars ensuring that each initiative (Benefits Portal, Smart Procurement, etc.) is on track, and resolving cross-cutting issues among them. The other Deputy Administrator for Operations and Governance will oversee enabling functions such as budget, human resources, and the development of policies/standards (including the AI governance framework). Deputies have decision-making authority in their domains and act on behalf of the Administrator when needed. They co-chair internal management boards (for example, a Program Management Review Board and an Operations Committee) to make routine decisions and escalate significant matters to the Administrator as necessary.
- AI Risk & Ethics Board: Given the paramount importance of trustworthy AI, FRGSA charters a standing Risk & Ethics Board. This board reviews proposed AI projects and policies to ensure they meet ethical standards, legal compliance, and risk management best practices. The board is composed of a diverse set of members: senior FRGSA officials, the agency's Chief Data Scientist and Chief Ethics Officer, as well as liaisons from oversight bodies like OMB's Office of Information and Regulatory Affairs (OIRA), and independent experts (e.g., from NIST or academic institutions on a rotating advisory capacity). The Risk & Ethics Board has the authority to require modifications to or halt any FRGSA project that is found noncompliant with AI ethical guidelines or that poses undue risk. They also issue recommendations on mitigating bias, safeguarding privacy, and ensuring transparency for each major initiative. All six pillar projects are initially vetted through this Board at conception and key milestones. This layer ensures FRGSA's work exemplifies **responsible AI use**, balancing innovation with caution.
- Steering Committees / Working Groups: For each Critical Needs pillar (and other major functional areas), FRGSA will establish interdepartmental Steering Committees or working groups. These committees are chaired by the program leads (e.g., the Director of the Digital Benefits Portal program) and include representatives from key stakeholder agencies and technical experts. They serve as forums for collaborative decision-making, requirements gathering, and knowledge sharing. For instance, the Smart Procurement Hub Steering Committee would include acquisition officials from several large agencies (DoD, GSA, DHS, etc.) to guide features and ensure government-wide relevance. While these committees do

not have final decision authority, they heavily influence program design and help coordinate implementation across agency boundaries. Decisions at this level (such as detailed design choices, pilot site selections, technical standards) are made collectively and then ratified by FRGSA leadership.

- Advisory Council: To incorporate broad perspectives and external expertise, FRGSA will stand up an Advisory Council comprising experts from the private sector, academia, state/local governments, and public interest groups. This council, meeting biannually, provides non-binding advice on FRGSA's strategy, reviews its progress, and offers insights on industry trends and societal impacts of AI. It serves as a feedback channel from outside stakeholders and helps FRGSA remain aware of public concerns, emerging technologies, and best practices beyond the federal sphere. The Administrator and senior staff consider Advisory Council input when setting long-term strategy or adjusting programs for greater effectiveness or public acceptance.
- Internal Management Structure: Internally, FRGSA follows standard federal agency management controls. A Chief of Staff supports the Administrator in coordinating day-to-day operations and ensuring decisions are executed. FRGSA's charter establishes key senior staff roles including a Chief Financial Officer (CFO) for budget decisions, Chief Information Officer (CIO) for IT and cybersecurity decisions, Chief Data Officer (CDO), Chief AI Officer, and Chief Privacy Officer. These officials form an internal management council that meets regularly to make cross-cutting decisions (for example, approving an internal data governance policy or resolving resource conflicts between projects). This council operates under the leadership of the Deputy Administrator for Operations.

Decision-making in FRGSA is tiered: routine operational decisions are made at the working level by program managers and office directors; significant tactical decisions (like reallocation of funds among projects, hiring strategies, etc.) are handled by Deputy Administrators and management council; and strategic or high-impact decisions (launch of a major new initiative, entering a memorandum of understanding with another agency, etc.) require Administrator and possibly OMB concurrence. This layered governance model ensures agility in daily operations while preserving rigorous oversight for matters of ethics, risk, and strategy. All decisions are documented and subject to audit or review, aligning with federal requirements for transparency and accountability.

6. Organizational Structure and Staffing Overview

FRGSA is structured to effectively deliver on its mission, with an organization design that mirrors its strategic pillars and core functions. Below is an overview of the key components of FRGSA's organizational structure and planned staffing:

• **Office of the Administrator:** Led by the FRGSA Administrator (Agency Head) with support from the Chief of Staff and small strategy/policy team. This office sets agency-wide priorities, liaises with OMB, Congress, and external stakeholders, and manages the Advisory Council. *Planned staffing:* ~10 FTE (including Administrator's immediate staff, legislative affairs, public affairs).

- **Deputy Administrator for Programs and Innovation:** This Deputy oversees all programmatic offices corresponding to the six pillars. Direct reports include the Directors/Program Managers for each major initiative:
- **Office of Digital Service Innovation** home of the Digital Benefits Portal program (Pillar 1) and related citizen-facing AI service projects. *Staff:* ~20 (product managers, UX designers, AI developers, policy analysts coordinating with agencies like SSA, HHS, etc.).
- **Office of AI-Powered Procurement** manages the Smart Procurement Hub (Pillar 2) and other acquisition innovation efforts. *Staff:* ~15 (contracting specialists, data analysts, AI engineers, category management experts).
- **Office of Workforce Enablement** runs the AI-Ready Workforce Initiative (Pillar 3), including training programs and talent initiatives. *Staff:* ~12 (training coordinators, HR specialists, curriculum developers, liaisons to OPM and agency training leads).
- **Office of Data and Technology Infrastructure** leads Pillar 4 projects on data platforms and cloud/ test environments. *Staff:* ~18 (cloud architects, data engineers, cybersecurity experts, integration specialists).
- **Office of AI Governance & Policy** responsible for Pillar 5 (governance framework) including drafting policies, compliance guidance, and supporting the Risk & Ethics Board. *Staff:* ~10 (policy advisors, legal counsel, risk analysts, data ethicists, including possibly detailees from NIST/OMB).
- **Office of Intelligent Automation** drives Pillar 6 (internal operations automation pilots). *Staff:* ~15 (process improvement specialists, RPA developers, systems analysts, in partnership with agency administrative offices).
- **Deputy Administrator for Operations and Management:** This Deputy oversees internal operations and support functions to ensure FRGSA runs effectively:
- Office of the Chief Financial Officer (CFO): Handles budget planning, financial management, and procurement for FRGSA's own needs. Ensures funds are used according to federal financial rules. *Staff:* ~8 (budget analysts, financial officers, procurement staff).
- Office of the Chief Information Officer (CIO): Manages FRGSA's IT infrastructure, cybersecurity (including compliance with FISMA), and provides IT support for FRGSA employees. Also sets internal IT policies (e.g., use of collaboration tools). *Staff:* ~6 (IT managers, security engineers, support technicians).
- **Office of Human Resources and Administration:** Responsible for staffing, recruitment (coordinating with OPM for hiring AI talent), training (internal admin training separate from pillar 3), and facilities. *Staff:* ~6 (HR specialists, admin officers).

- **Office of Communications and Outreach:** Handles public communications, reports, and stakeholder engagement including the Advisory Council and interagency outreach. *Staff:* ~5 (public affairs specialists, writers).
- **Office of General Counsel:** Provides legal advice, reviews contracts and policy for legal sufficiency, and ensures compliance with laws (e.g., Privacy Act, Administrative Procedure Act). *Staff:* ~4 (attorneys, paralegal).
- Matrixed and Support Roles: Some roles and teams in FRGSA work across offices:
- **Chief Data Officer (CDO):** The CDO is a senior official focusing on data strategy and governance, working closely with both the Data Infrastructure office and AI Governance office.
- **Chief AI Officer / Chief Technology Officer:** A senior technical lead ensuring FRGSA's own use of AI is state-of-the-art and safe. They advise all program offices on technical approaches and evaluation of AI tools.
- **Chief Privacy Officer:** Ensures all projects comply with privacy requirements, conducting Privacy Impact Assessments and advising on data protection strategies (works with Governance office and CIO).
- These chief roles may have small support teams (e.g., data governance team under the CDO).

FRGSA's staffing plan aims to grow to approximately **100 full-time equivalents (FTE)** by FY2026. Initially in FY25, the agency might start with a core team of ~50 (through a mix of new hires and detailees from other agencies such as GSA, DHS, or NIST). The workforce will be multidisciplinary: about 30% of staff are expected to be technical experts (data scientists, AI developers, engineers), 20% program/project managers, 20% policy/legal/ethics experts, 15% user experience and customer service specialists, and 15% operations/support personnel. FRGSA will emphasize diversity in hiring to bring varied perspectives to AI development, and will utilize special hiring authorities (like direct hire for STEM or the Digital Services hiring authority) to onboard talent quickly.

Organizational Culture: The structure of FRGSA is intentionally **collaborative and mission-focused**. Program offices are expected to work in cross-functional teams (for example, an AI developer from the Infrastructure office might be embedded in the Benefits Portal team to provide technical support). Regular all-hands meetings and cross-office working groups will be instituted to break silos. The staffing approach also heavily leverages interagency rotational assignments; FRGSA will host detailees from other agencies to contribute expertise and then bring knowledge back to their home agencies. This not only bolsters FRGSA's capacity but also seeds AI expertise government-wide, furthering the agency's mission as a model and catalyst.

In summary, FRGSA's organizational design provides clear ownership of key initiatives (through dedicated offices for each pillar) while maintaining strong centralized oversight and support. This ensures accountability for delivering results in each critical area, with the flexibility to marshal resources across the agency as priorities evolve.

7. FY26 Draft Budget and Spending Plan

FRGSA's budget is structured to support its strategic pillars and core operations, reflecting a balance between personnel, technology investments, and program activities. Below is the draft **FY 2026 Budget** (Fiscal Year 2026) broken down by major spending categories. All figures are estimates in millions of U.S. dollars (USD) and subject to Congressional appropriation:

Spending Category	FY26 Budget Estimate (\$M)	% of Total
Personnel & Workforce – Salaries, benefits, and human resources costs for FRGSA staff and contractors. This covers ~100 FTE including specialized AI talent and support staff.	\$55 M	18%
Technology & Infrastructure – Investments in cloud services, data centers, computing resources for AI development, software licenses, and cybersecurity tools. Includes funding for the government-wide data platform and AI sandbox environments (Pillar 4).	\$80 M	27%
Program Initiatives (Pilots & Projects) – Direct program costs for the six Critical Needs pillars. For each pillar, funds for development, pilot deployments, and agency grants. For example, development of the Digital Benefits Portal, Smart Procurement Hub platform, automation tools, etc.	\$100 M	33%
Training & Workforce Development – Funding for the AI- Ready Workforce Initiative (Pillar 3), including creation of training content, workshops, and partnerships with academic institutions. Also includes outreach and education for stakeholders.	\$15 M	5%

Spending Category	FY26 Budget Estimate (\$M)	% of Total
Research & Partnerships – Grants or cooperative agreements supporting AI research relevant to government (e.g., with universities or small businesses under SBIR/STTR), and	\$20 M	7%

**Total Budget (FY 2026)	\$300 M	100%
Administrative & Other Support – General administrative expenses, facilities, equipment, travel, and contingency funds. Ensures FRGSA's day-today operations (rent, utilities, basic office needs) and a modest reserve for unplanned requirements.	\$20 M	7%
Governance, Policy & Oversight – Resources for the AI Governance Framework activities, including the Risk & Ethics Board operations, external advisory consultations, auditing and assessment contracts, and development of standards/policies.	\$10 M	3%
collaboration projects with industry (such as AI testbeds, challenge competitions).		

Notes: This budget reflects an investment in both people and technology, recognizing that successful AI adoption requires skilled personnel (18% to Personnel) as well as robust tech infrastructure (27% to Technology). The largest share (one-third) is devoted to Program Initiatives, directly funding the solutions and pilots under each critical pillar – signaling that tangible project delivery is the top priority. The Training and Research categories (combined ~12%) underscore FRGSA's commitment to capacity-building and innovation beyond its walls, by educating the workforce and engaging external innovators. Governance and oversight, while a smaller portion (3%), is crucial to ensure all activities maintain integrity and comply with ethical standards. Administrative costs are kept relatively low (7%), reflecting an emphasis on efficiency and channeling funds to mission work.

FRGSA will seek to maximize cost-effectiveness by leveraging shared services and existing government contracts (for cloud, tools, etc.) where possible. Additionally, partnerships with other agencies (e.g., costsharing on joint projects) and the use of interagency agreements will stretch these dollars further. The FY26 budget will be reviewed and adjusted for FY27 based on program performance and scaling needs, with an expectation of modest growth if initial pilots show success and demand increases from partner agencies.

8. 18-Month Roadmap (Milestones and Timeline)

The following is an 18-month high-level roadmap for FRGSA, outlining key milestones from mid-2025 through the end of 2026. This timeline assumes a starting point of Q4 FY2025 and runs through Q4 FY2026, aligning with the ramp-up of FRGSA's operations and early deliverables of its programs. The roadmap is presented in a quarter-by-quarter format:

• **Q4 FY25 (Jul – Sep 2025): Initial Agency Stand-up and Planning.** FRGSA formally launches. Leadership positions (Administrator, Deputy Administrators, key office directors) are filled. The Agency establishes its headquarters (likely within the National Capital Region) and sets up initial infrastructure (office space, IT systems). The six pillar program teams are formed, with charters and project plans developed for each. Early stakeholder engagement begins: FRGSA hosts an **Interagency**

Kickoff Meeting with CIOs and program leads from major agencies to introduce its mission and gather input. The Risk & Ethics Board is convened for the first time to review the criteria for project approval. By the end of Q4 FY25, FRGSA publishes its **Initial Strategic Plan** (this Charter document) and a public Fact Sheet outlining its mission and planned initiatives.

- Q1 FY26 (Oct Dec 2025): Foundational Policy and Prototype Development. FRGSA, in coordination with OMB, releases draft AI Governance Framework Guidelines for public comment – including proposed policies for AI use and risk management in agencies (aligning with NIST AI RMF). Simultaneously, technical teams begin development on two key prototypes: the Digital Benefits Portal (alpha version) focusing on a specific life event (e.g., job loss benefits navigator), and the Smart Procurement Hub basic platform (initial module to analyze procurement data). The AI-Ready Workforce team launches the first governmentwide AI Training Bootcamp pilot with 100 employees from 5 agencies. On the infrastructure side, FRGSA secures a cloud environment and begins building the data exchange platform architecture. Key hires continue. By the end of Q1 FY26, FRGSA will deliver an OMB Memorandum (developed jointly) to all agencies summarizing initial guidelines and encouraging agency collaboration with FRGSA pilots.
- Q2 FY26 (Jan Mar 2026): Pilot Implementations Begin. The Digital Benefits
 Portal pilot goes live in collaboration with a partner agency (for example,
 Department of Veterans Affairs for veteran benefit integration), available to a test
 user group. FRGSA's Smart Procurement Hub is piloted within GSA or DHS for select
 AI-related procurements, collecting data on its performance. FRGSA's Risk & Ethics
 Board reviews these pilots and provides an interim Ethics & Impact Assessment
 Report ensuring they meet standards. The Data Infrastructure program completes a
 beta version of the Federal Data Catalog, indexing initial datasets from three
 agencies. FRGSA also stands up the AI Talent Fellowship Program (bringing in a
 cohort of 10 AI experts from industry/academia for oneyear rotations). Mid-year,
 FRGSA leadership testifies in a congressional hearing on AI in government, using the
 occasion to report progress. By end of Q2 FY26, an Initial Progress Report is
 published, detailing achievements and lessons learned in the first 6+ months.
- Q3 FY26 (Apr Jun 2026): Expansion and Iteration. Based on early success, the Digital Benefits Portal expands to include additional services (e.g., adding a Medicare low-income subsidy eligibility check in partnership with HHS). User feedback is gathered for continuous improvement. The Smart Procurement Hub adds an AI tool for proposal compliance checking and is introduced to two more agencies' contracting offices. FRGSA's AI governance policies are finalized and formally issued (after incorporating public and agency comments) as part of an updated OMB circular or memo. The AIReady Workforce Initiative launches an online AI Learning Platform with on-demand courses and resources for all federal employees. Meanwhile, the Intelligent Automation pilots kick off at two agencies: one for financial automation at USDA and another for claims processing at SSA. FRGSA's Data Infrastructure team moves from beta to full launch of the FRGSA Data Exchange Platform, with security controls and data agreements in place. In this

quarter, FRGSA also hosts its first **"AI in Government Innovation Summit"**, bringing together agencies and industry to showcase pilot results and share knowledge.

- **Q4 FY26 (Jul Sep 2026): Assessment and Scaling Decisions.** As FY26 ends, FRGSA conducts a thorough assessment of all pilot programs. Metrics and KPIs (as outlined in Section 4) are evaluated against targets. The Risk & Ethics Board produces a **Trust and Safety Evaluation** of the AI systems deployed so far, which will be included in FRGSA's annual report. FRGSA works with OMB to draft budget proposals for FY27 that reflect scaling up successful pilots. For instance, if the Digital Benefits Portal pilot is successful, plans are developed to extend it to more agencies or nationwide deployment, with budget and partnership considerations. Similarly, expansion of the Smart Procurement Hub to all CFO Act agencies is planned with a phased timeline. By the end of Q4, FRGSA issues its **FY26 Annual Report** to the President and Congress, detailing outcomes, financial expenditures, and the roadmap for the next phase. This period also includes internal adjustments: refining the organizational structure if needed, solidifying permanent staffing for programs moving from "pilot" to "operation" stage, and renegotiating any partnership MOUs based on pilot results.
- **Q1 FY27 (Oct Dec 2026): Transition to Scale-Up and Integration.** With a new fiscal year and the foundation laid, FRGSA begins transitioning successful projects from pilot mode to broader implementation. For example, the Digital Benefits Portal might be handed over to a lead service agency for full production use, with FRGSA continuing to provide technical support and monitoring. FRGSA focuses on institutionalizing its governance framework: agencies are now expected to regularly report AI use cases and risk assessments, with FRGSA reviewing these as part of an oversight routine. Training efforts intensify a second, larger cohort of the AI Talent Fellowship is brought on, and mandatory AI ethics training is rolled out to all SES (Senior Executive Service) members government-wide (in partnership with OPM). At this stage, FRGSA's role slightly shifts from primarily building and piloting to also **advising and consulting** for agencies that are adopting these solutions on their own. The 18-month period concludes with FRGSA planning a comprehensive strategy refresh to update the Founding Charter's goals for the next horizon (FY28 and beyond), incorporating the insights and outcomes from this formative period.

This timeline is subject to adjustments based on real-world events, resource availability, and feedback from stakeholders. FRGSA will practice agile project management, iterating rapidly on pilot feedback and reprioritizing if certain initiatives yield faster wins or if emerging needs arise (for example, new executive orders or laws related to AI could prompt additional tasks). Regular status reviews with OMB will ensure that the roadmap stays aligned with Administration priorities and agency needs. The 18-month roadmap presented above establishes a clear trajectory from standing up FRGSA to demonstrating measurable improvements in government services and operations through AI – fulfilling the promise of a future-ready government.

9. Privacy, Security, and Equity Safeguards

As a model agency for responsible AI, FRGSA is committed to the highest standards of privacy protection, cybersecurity, and equity in all its initiatives. These safeguards are woven into every stage of project development and deployment, in line with federal mandates that AI use must **"protect Americans' privacy, advance equity and civil rights"** <u>12</u> while promoting innovation. This section outlines the key measures FRGSA will implement to ensure robust protections in three critical areas: privacy, security, and equity.

9.1 Privacy Safeguards

Protecting individual privacy is a paramount concern for FRGSA, especially given the dataintensive nature of AI systems. FRGSA will fully comply with the Privacy Act of 1974, the E-Government Act's privacy provisions, and guidance from the Federal Privacy Council. Specific safeguards include:

- **Privacy by Design:** From the outset of each project, FRGSA will incorporate privacy considerations. Data used in AI projects will be minimized to what is necessary, and wherever possible, **deidentified**, **anonymized**, **or aggregated** to prevent exposure of Personal Identifiable Information (PII). Design reviews at early stages will involve the Chief Privacy Officer to ensure systems adhere to privacy principles (data minimization, purpose specification, use limitation).
- **Privacy Impact Assessments (PIAs):** For every FRGSA system or pilot involving personal data, a PIA will be conducted and published when appropriate. These assessments will detail what data is collected, how it is used, stored, and protected, and how individuals can exercise any rights or redress. For example, the Digital Benefits Portal will undergo a rigorous PIA since it handles personal benefit information; the PIA will be coordinated with partner agencies and reviewed by the Risk & Ethics Board.
- Data Protection and Compliance: FRGSA will implement strong data security measures (encryption at rest and in transit, access controls, continuous monitoring) to safeguard sensitive information. All data sharing agreements for interagency data (under Pillar 4) will include clauses protecting privacy and outlining clear rules for data use and retention. Additionally, FRGSA will ensure compliance with specific statutes like HIPAA for any health-related data, FERPA for any education-related data, and IRS 6103 for tax data, when relevant to its projects.
- **Transparency to the Public:** In line with the principle of transparency, FRGSA will maintain publicfacing documentation on how personal data is used in its AI systems. Clear privacy notices will be embedded in applications like the Digital Benefits Portal, so users understand what data is being collected and why. If any AI system makes individualized decisions or recommendations, FRGSA will provide individuals with access to information about how those decisions were made consistent with law and policy (without revealing sensitive algorithmic details that could enable misuse).
- **Privacy Training and Culture:** All FRGSA staff and contractors will receive annual privacy training, with additional specialized training for those handling personal

data. By building a strong privacy culture, FRGSA ensures that every team member, from data scientists to project managers, treats privacy as a non-negotiable requirement. The Chief Privacy Officer will oversee periodic audits of data practices to verify compliance, and any privacy incidents will be reported promptly per OMB guidelines and addressed with corrective action.

9.2 Security Safeguards

Security of AI systems and the underlying infrastructure is critical to protect against threats, including data breaches, adversarial attacks on AI (e.g. poisoning or manipulation of algorithms), and system failures. FRGSA's security approach will be aligned with the Federal Information Security Modernization Act (FISMA) and guided by NIST standards (such as NIST SP 800-53 for controls, and NIST SP 800-171/172 for protecting controlled unclassified information). Key security measures include:

- **Cybersecurity Integration:** FRGSA will integrate cybersecurity experts (from the CIO's office) into each project team to perform threat modeling and security testing for AI systems. Before deployment, systems will undergo Security Test & Evaluation (ST&E) as part of the Authority to Operate (ATO) process. Special attention is given to AI-specific risks: for instance, verifying the integrity of training data (to avoid data poisoning) and hardening models against adversarial inputs (to prevent malicious actors from exploiting AI outputs).
- **FedRAMP and Cloud Security:** All cloud services and tools used by FRGSA will be FedRAMPauthorized at an appropriate impact level. The FRGSA Data Exchange Platform and sandbox (Pillar 4) will likely operate in a Government Community Cloud with high security controls. Access to these environments will require multifactor authentication and adhere to zero trust architecture principles (never trust, always verify each user and device). Continuous diagnostics and mitigation (CDM) tools will monitor for anomalies or intrusions in real time.
- Access Control and Data Segmentation: Following the principle of least privilege, FRGSA will enforce strict access controls. Data and systems will be segmented so that users (and AI models) only access the information necessary for their function. For example, if an AI model is training on a dataset that includes personal records, that model training environment will be isolated, and outputs will be vetted before being moved to a production system. All access to sensitive systems will be logged and auditable. Regular penetration testing and red-team exercises will be conducted to test defenses.
- Secure Development Lifecycle: FRGSA will adopt a Secure Software Development Framework for all custom AI software. This includes code analysis (both static and dynamic) to catch vulnerabilities, dependency checks for third-party libraries (to ensure no known vulnerabilities), and configuration management to avoid misconfigurations. DevSecOps practices will embed security reviews at each phase of development. Any open source AI components used will be evaluated for security risks, and models will be scanned for hidden issues.

• Incident Response and Contingency Planning: The Agency will have an incident response plan specifically tailored to AI systems. This covers scenarios like detection of biased or incorrect AI outputs (which could indicate tampering), denial of service attacks on AI services, or a data breach. A security operations center (perhaps leveraged through DHS's central SOC or an arrangement with another agency) will include FRGSA systems in its monitoring. FRGSA will also ensure continuity of operations – e.g., critical AI systems will have fallback modes or manual alternatives if an incident forces them offline. Regular drills will be conducted to ensure staff is prepared to respond swiftly.

By implementing these security safeguards, FRGSA aims to uphold public trust not only in what AI does, but in the resilience and safety of the infrastructure supporting it. The goal is zero security incidents, but if they occur, to minimize impact through rapid and effective response.

9.3 Equity and Fairness Safeguards

Ensuring equity is at the heart of FRGSA's mandate to use AI for public good. AI systems must be developed and deployed in a manner that advances fairness, avoids discrimination, and **"advances equity and civil rights"** as emphasized by the Administration <u>12</u>. FRGSA will operationalize equity safeguards in the following ways:

- **Bias Mitigation in AI Design:** For each AI project, FRGSA will implement procedures to detect and mitigate bias. This includes diverse training data sets that are representative of the populations served, and algorithmic bias testing using NIST-recommended methodologies or academic best practices. For example, the Digital Benefits Portal's recommendation engine will be tested to ensure it suggests programs fairly across different demographic groups and does not inadvertently underserve any community. Any disparities found in testing will result in adjustments to models or business rules to correct them.
- Equity Impact Assessments: Similar to PIAs, FRGSA will conduct Equity Impact Assessments for major AI systems analyzing how the system might affect different groups (by race, gender, geography, disability status, etc.), and ensuring compliance with civil rights laws (such as Title VI, Title VII, ADA, etc.). The Risk & Ethics Board will review these assessments. If an AI tool is used in decision-making (e.g., prioritizing resources or flagging cases for review), FRGSA will ensure that the decision process is explainable and that there is a human in the loop, especially for consequential decisions, to prevent automated discrimination.
- **Inclusive Design and Accessibility:** FRGSA will follow inclusive design principles so that AI enhanced services are accessible to all users, including those with disabilities or those with limited digital access. For instance, the Digital Benefits Portal will be 508-compliant (accessible to people using screen readers or other assistive tech) from the start. AI chatbots will be tested for linguistic inclusivity (like accommodating non-native English speakers or providing Spanish language support if needed). Public-facing AI applications will be mobile-friendly and tested in low-bandwidth scenarios to account for the digital divide.

- **Public Engagement and Transparency (Fairness in Practice):** To further equity, FRGSA will engage with communities and advocacy groups to gather input on its projects. Well before full deployment, FRGSA will hold public forums or focus groups especially for those who are intended beneficiaries of systems like the Benefits Portal – ensuring their feedback shapes the solution. In addition, FRGSA will transparently communicate the purpose and functioning of AI systems. For example, if an AI is used to help determine eligibility or flag potential fraud, FRGSA will clearly communicate that AI is being used as a tool and outline the safeguards and human oversight in place. Transparency helps affected communities trust and verify that these systems are fair.
- **Continuous Monitoring for Fair Outcomes:** Equity safeguards are not a one-time checkbox but an ongoing commitment. FRGSA will monitor AI systems in production for any emerging biases or unintended negative impacts. This might involve collecting metrics on system outcomes by demographic segment (when legally and ethically appropriate) to detect drift or changes over time. Anomalies would trigger a re-evaluation of the model or data. Also, FRGSA will establish channels for individuals or agencies to report concerns or bias they suspect in any FRGSA-supported AI system, which will be promptly investigated.

By embedding equity considerations into governance, design, and deployment, FRGSA ensures that AI is used as a tool to **close gaps and reduce disparities**, not widen them. These efforts reflect a core tenet of FRGSA's vision: AI in government should benefit all parts of society fairly and honor the diversity of the American public.

In summary, FRGSA's privacy, security, and equity safeguards collectively ensure that the Agency's pursuit of innovation never comes at the expense of fundamental rights or public trust. These safeguards are aligned with the latest federal guidelines and executive directives on AI <u>12</u>, and FRGSA will continuously update its policies as standards evolve. By setting a high bar in these areas, FRGSA not only protects its own programs but also provides a template that other agencies can follow, furthering responsible AI adoption government-wide.

10. Appendix

Glossary

- Artificial Intelligence (AI): Broadly, computer systems or algorithms that perform tasks normally requiring human intelligence. This includes machine learning, natural language processing, computer vision, robotics, and other techniques enabling computers to learn from data and make decisions or predictions.
- **FRGSA (Future-Ready Government Services Agency):** A fictional federal agency established to model and drive responsible AI adoption across the U.S. government. It serves as a center of excellence for AI in government operations and service delivery.
- **OMB (Office of Management and Budget):** A White House office that oversees the implementation of the President's vision across the Executive Branch. OMB issues

policies (such as memoranda) to federal agencies and played a key role in creating FRGSA to advance AI initiatives.

- **Executive Order (EO):** An official directive from the President governing operations of the federal government. EOs relevant to FRGSA's charter include EO 13960 (Trustworthy AI in Federal Government, 2020) and EO 14110 (Safe, Secure, Trustworthy AI, 2023), among others, which set guidelines for AI use <u>1 12</u>.
- **NIST (National Institute of Standards and Technology):** A federal agency within the Department of Commerce that develops standards and guidelines, including the AI Risk Management Framework (AI RMF). FRGSA leverages NIST's guidance for risk management and security best practices <u>4</u>.
- AI RMF (AI Risk Management Framework): A framework published by NIST in 2023 (version 1.0) to help organizations manage the risks of AI. It identifies functions like govern, map, measure, and manage AI risks. FRGSA uses this as a foundation for its governance policies.
- **Critical Needs Pillars:** The six priority focus areas identified by FRGSA where AI can significantly improve government services: Digital Benefits Portal, Smart Procurement Hub, AI-Ready Workforce, Data/Tech Infrastructure, Trustworthy AI Governance, and Intelligent Automation.
- **Fiscal Year (FY):** The U.S. federal government's budget year, running from October 1 to September 30. For example, FY2025 covers Oct 1, 2024 Sep 30, 2025. FRGSA's plans and budgets are often outlined by fiscal year.
- **Key Performance Indicator (KPI):** A quantifiable measure used to evaluate success in meeting objectives. FRGSA's KPIs (e.g., number of users served, cost savings achieved) help track progress on its mission goals.
- **CFO Act Agency:** Refers to the 24 major federal agencies listed in the Chief Financial Officers Act of 1990 (e.g., Departments of Defense, HHS, DHS, etc.). These agencies often have additional reporting requirements and are typically involved in government-wide initiatives like FRGSA's programs.
- **FedRAMP (Federal Risk and Authorization Management Program):** A government program providing a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services. FRGSA uses FedRAMP-authorized cloud solutions to ensure security compliance.
- **PII (Personally Identifiable Information):** Information that can be used to distinguish or trace an individual's identity (e.g., name, Social Security number, biometric records). FRGSA implements strict controls when handling PII in AI systems to protect privacy.
- **Privacy Impact Assessment (PIA):** An analysis of how information is handled to ensure compliance with privacy laws and to identify and mitigate privacy risks. FRGSA conducts PIAs for its projects involving personal data.

- **Bias (in AI):** Systematic error in AI decision-making that produces unfair outcomes, privileging or disadvantaging certain groups. FRGSA actively tests for and mitigates bias in its AI models to uphold fairness and equity.
- **Interoperability:** The ability of different IT systems or components to exchange and use information seamlessly. FRGSA emphasizes interoperability <u>13</u> so that AI solutions can work across multiple agencies and data sources without vendor lock-in or data silos.
- **Stakeholder:** Any party with an interest in or who is affected by FRGSA's activities. Stakeholders include federal agencies, employees, citizens, industry partners, oversight bodies (like Congress or GAO), and advocacy groups. FRGSA's governance includes stakeholder input to ensure inclusive decision-making.
- **Agile (methodology):** An iterative approach to project management and software development that builds and refines projects in small, quick increments. FRGSA employs agile practices to rapidly prototype and improve AI solutions based on feedback.

References

- Executive Order 13960 *Promoting the Use of Trustworthy Artificial Intelligence in the Federal Government* (December 3, 2020). Established principles and requirements for federal agency use of AI, emphasizing public trust, transparency, and mitigation of bias.
- Executive Order 14110 *Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence* (October 30, 2023). Laid out actions to ensure AI safety and security, protect privacy, and advance equity and civil rights in the deployment of AI <u>12</u>.
- Executive Order 14179 *Removing Barriers to American Leadership in Artificial Intelligence* (January 2025). Directed OMB to revise AI policies to promote innovation and sustain U.S. leadership in AI, influencing the issuance of new OMB guidance <u>6</u>.
- OMB Memorandum M-25-21 *Accelerating Federal Use of AI through Innovation, Governance, and Public Trust* (April 3, 2025). OMB guidance to agencies to adopt a forward-leaning, pro-innovation approach to AI, improve services, and maintain safeguards <u>7</u>. Superseded prior AI guidance and set requirements for AI governance and oversight.
- OMB Memorandum M-25-22 *Driving Efficient Acquisition of Artificial Intelligence in Government* (April 3, 2025). Complementary guidance focusing on AI procurement best practices, encouraging competition and effective risk management in acquiring AI solutions <u>89</u>.
- NIST AI Risk Management Framework 1.0 (January 2023). A voluntary framework by NIST for organizations to manage AI risks, structured around core functions (Govern, Map, Measure, Manage). FRGSA uses this as a baseline for its risk and ethics policies <u>4</u>.

- 2024 Federal AI Use Case Inventory (Federal CIO Council, January 2025). An inventory and analysis revealing that agencies reported 1,700+ AI use cases in 2024 (double the number from 2023) and highlighting trends in federal AI adoption. Informs FRGSA's focus by identifying high-impact domains (like administrative automation and benefits delivery) for AI.
- OSTP *Blueprint for an AI Bill of Rights* (October 2022). Guidance from the White House Office of Science and Technology Policy outlining five principles (Safe and Effective Systems, Algorithmic Discrimination Protections, Data Privacy, Notice and Explanation, Human Alternatives) to protect the public in automated systems. FRGSA aligns its ethics framework with these principles.
- Advancing American AI Act (Enacted as part of the National Defense Authorization Act, 2022). Legislation aimed at promoting AI within the federal government, calling for governance mechanisms and an AI training program for federal employees. Provides legislative backing for many FRGSA activities (e.g., workforce upskilling, interagency coordination).
- Federal Data Strategy 2020 Action Plan & subsequent updates. A strategy that emphasizes leveraging data as a strategic asset, which underpins FRGSA's Pillar 4 efforts to improve data infrastructure for AI. Ensures FRGSA's data sharing initiatives adhere to government-wide data management best practices.

(Note: The citations in brackets (e.g.,) throughout this Charter refer to sources and documents that provide context or support for the statements. These references are included here in the Appendix for completeness, indicating the alignment of FRGSA's charter with established federal policies and expert analyses.)

Acronyms

- **AI:** Artificial Intelligence
- **CDO:** Chief Data Officer
- **CFO:** Chief Financial Officer (or CFO Act, referring to major federal agencies per the CFO Act of 1990) **CIO:** Chief Information Officer (also used for the Federal CIO Council context)
- EO: Executive Order
- **FISMA:** Federal Information Security Modernization Act
- FRGSA: Future-Ready Government Services Agency
- **FTE:** Full-Time Equivalent (employee)
- FY: Fiscal Year
- **GSA:** General Services Administration
- IT: Information Technology
- **KPI:** Key Performance Indicator

- NAIRR: National AI Research Resource (not explicitly in main text but related to AI R&D infrastructure)
- NIST: National Institute of Standards and Technology
- **OIRA:** Office of Information and Regulatory Affairs (within OMB)
- **OMB:** Office of Management and Budget
- **OPM:** Office of Personnel Management
- **OSTP:** Office of Science and Technology Policy (White House)
- **PIA:** Privacy Impact Assessment
- PII: Personally Identifiable Information
- **RPA:** Robotic Process Automation (software robots for automation)
- **SBIR/STTR:** Small Business Innovation Research / Small Business Technology Transfer (federal programs for small business R&D)
- **SES:** Senior Executive Service (top career leadership corps of the federal government)

1 - Executive Order (EO) 13960: Use of Trustworthy AI in the Federal Government | Splunk <u>https://www.splunk.com/en_us/blog/learn/executive-order-13960.html</u>

2 - Implementing Executive Order 13960 Promoting the Use of Trustworthy Artificial Intelligence in the Federal Government | NIST <u>https://www.nist.gov/artificial-intelligence/E013960</u>

3 - AI in Action: 5 Essential Findings from the 2024 Federal AI Use Case Inventory | CIO.GOV <u>https://www.cio.gov/ai-in-action/</u>

4 - AI Risk Management Framework | NIST https://www.nist.gov/itl/ai-risk-management-framework

5, 6, 10 - OMB Issues First Trump 2.0-Era Requirements for AI Use and Procurement by Federal Agencies | Inside Government Contracts <u>https://www.insidegovernmentcontracts.com/2025/04/omb-issues-first-trump-2-0-era-</u> <u>requirements-for-ai-use-and-procurementby-federal-agencies/</u>

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