



Burn Rate, Operating Plan, and FTE Forecasting for the 32% Workforce Cut

PROBLEM STATEMENT

RD's FY 2026 budget cuts FTE from 4,630 to 3,162 — a 32% workforce contraction — and OBP must produce credible Burn Rate, Operating Plan, and FTE-and-payroll forecasts for the Acting Under Secretary, COO, HR, and OMB while operations are being restructured underneath the forecast.

WHY IT MATTERS

Workforce contraction is the dominant operational story at RD over the next 24 months, and a credible, scenario-driven forecast is the only way OBP can support real-time decisions on hiring freezes, attrition management, voluntary separations, and reinvestment trade-offs.

HSG'S APPROACH

1. Build a scenario-planning Burn Rate / FTE / payroll model in Python / Excel with parametric levers (attrition rate, hire rate, GS-grade mix, locality-pay distribution, benefits load, RIF scenario).
2. Pull historical FTE / payroll / obligation / outlay actuals from FMFI and NFC payroll feeds to ground the model in real RD data.
3. Surface the forecast through an interactive Tableau / Power BI dashboard with scenario sliders for the Acting Under Secretary, COO, OBP, and HR.
4. Use AI tooling to surface narrative explanations of scenario divergence and recommended management actions.
5. Pair the forecast with a workload-rebalancing analysis showing where AI / automation can shrink demand for FTE in the same proportion cut.

EXPECTED DELIVERABLES

- Burn Rate / FTE / payroll scenario model
- Interactive scenario dashboard for senior leadership
- Workload-rebalancing analysis tied to AI / automation footprint
- Monthly burn-rate report aligned to the Operating Plan
- SOP for OBP analysts maintaining the model

EXPECTED OUTCOME

Give RD leadership a credible 24-month FTE / payroll forecast with measurable scenario optionality, supporting decisions that protect mission delivery through the 32% contraction.

ENGAGEMENT TEAM

PRIMARY LEAD

Brad Dillman

Senior Quantitative Modeler · Federal Credit-Reform Modeling Lead

CONTRIBUTORS

Jelani House

Engagement Manager · Business Development Lead · AI Lead · FCRA & Budget Execution Lead

Michael Nelson

Senior Financial Analyst · HUD OAS Bench