



Highlights of [GAO-09-727](#), a report to congressional requesters

## Why GAO Did This Study

From fiscal years 2000 through 2008, the number of persons employed by federal agencies who perform various law enforcement functions and receive either special pay or enhanced retirement benefits, in the form of a faster-accruing pension, has increased by 55 percent. In addition, as of September 2008, approximately 51,000 personnel were employed in law enforcement-related occupations that could seek enhanced retirement benefits in the future. GAO was asked to conduct a review of the retirement benefits provided to law enforcement personnel. This report addresses (1) the processes used to grant enhanced retirement benefits to federal law enforcement personnel, (2) the rationales and potential costs for extending benefits to additional occupations, and (3) the extent to which federal agencies used human capital tools to retain law enforcement and other related personnel. GAO reviewed relevant laws, regulations, and other documentation, such as agency reports describing the processes used to grant enhanced benefits, and interviewed officials from the Office of Personnel Management (OPM), Department of Homeland Security (DHS), Department of Justice (DOJ), and the Internal Revenue Service (IRS) because these entities employed approximately 84 percent of all law enforcement and law enforcement-related personnel in fiscal year 2008. In commenting on a draft of this report, DHS, DOJ and OPM generally concurred with the report. IRS stated that it had no comments on the report.

To view the full product, including the scope and methodology, [click on GAO-09-727](#). For more information, contact Eileen Larence at (202) 512-5555 or [larencee@gao.gov](mailto:larencee@gao.gov).

## FEDERAL LAW ENFORCEMENT RETIREMENT

### Information on Enhanced Retirement Benefits for Law Enforcement Personnel

#### What GAO Found

In order for certain employees to receive enhanced retirement benefits, agencies generally determine that a certain group of employees meets the statutory and regulatory definitions of a Law Enforcement Officer (LEO)—which includes such activities as conducting investigations—and submit the determination to OPM. As of the end of fiscal year 2008, about half of federal employees receiving enhanced retirement benefits met the statutory and regulatory definitions. In recent years, several employee groups and unions representing law enforcement personnel whose agencies and OPM have determined that they do not meet the LEO definitions have sought such benefits directly through legislation. Currently, about half of law enforcement personnel receiving enhanced benefits have obtained these benefits directly through legislation.

Law enforcement-related employee groups that sought enhanced retirement benefits directly through legislation have cited a number of rationales to justify receiving these benefits, including high attrition rates. The provision of such retirement benefits may result in additional costs to the agency and federal government because these costs are generally higher than providing retirement benefits to regular federal employees. GAO's analysis of available data showed that attrition for law enforcement-related personnel not receiving enhanced retirement benefits was higher than law enforcement personnel receiving such benefits but not as high as all other federal employees. While attrition data are available, when asked to provide such data, the employee groups and unions seeking enhanced retirement benefits did not consistently provide it to us. Analyzing attrition data alone may not fully indicate why personnel are leaving a particular agency because a variety of organizational and economic factors, as well as compensation, influence separation decisions. GAO's analysis also showed that such benefits increase agency short-term costs and could increase the government's long-term pension liability. Finally, providing such benefits to some groups but not others has created perceived inequities and DHS and DOJ acknowledge that it could affect their strategic workforce planning.

Federal agencies have the authority to use human capital tools, such as retention incentives, to assist with their efforts to address specific retention challenges. Some department and agency officials to whom we spoke said these tools are effective for retaining law enforcement personnel, while others maintained they need enhanced retirement benefits to effectively retain law enforcement-related personnel. The targeted use of these tools may present a cost-efficient alternative for retaining law enforcement-related personnel.