

GAO Highlights

Highlights of [GAO-19-217](#), a report to congressional requesters

Why GAO Did This Study

According to OPM, it receives more than 100,000 retirement applications each fiscal year. Between 2014 to 2017, OPM did not meet its goal of processing most retirement applications within 60 days. GAO was asked to review potential improvements in federal retirement processing at OPM. This report (1) describes the root causes of retirement application processing delays, as determined by OPM; and (2) examines what strategies, if any, OPM has taken to address those root causes, and how OPM has evaluated the effectiveness of the strategies.

GAO reviewed OPM data and documents, and interviewed OPM officials. GAO also interviewed officials from DOD, HHS, NASA, and USPS about their experiences with processing retirement applications. GAO selected these agencies because they represent a variety of application error rates and relatively high application volume.

What GAO Recommends

GAO is making 6 recommendations. These recommendations include that OPM should develop a retirement services IT modernization plan for initial project phases; develop and implement policies for assessing staffing strategies intended to improve processing times; and determine if there are cost-effective ways to make the retirement application error report more user-friendly. OPM concurred with 1 recommendation and partially concurred with 5 recommendations. GAO continues to believe all aspects of the recommendations are valid, as discussed in the report. GAO also incorporated technical comments.

View [GAO-19-217](#). For more information, contact Yvonne D. Jones at (202) 512-6806 or jonesy@gao.gov.

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FEDERAL RETIREMENT

OPM Actions Needed to Improve Application Processing Times

What GAO Found

The Office of Personnel Management (OPM), which administers the federal retirement program, identified three root causes for retirement processing delays:

1. the continuing reliance on paper-based applications and manual processing;
2. insufficient staffing capacity, particularly during peak workload season; and
3. incomplete applications.

OPM has taken various actions to address these root causes and thereby reduce delays.

Vision for modernizing retirement processing. OPM's strategic vision consists of five key initiatives for modernizing the application process, including developing an electronic application form and an electronic system to store retirement information. However, OPM was unable to provide estimated time frames or costs for the initiatives. OPM officials said that additional information technology (IT) modernization work is dependent on sufficient funding, among other factors. These factors are important but do not preclude OPM from establishing estimated cost ranges and time frames—practices consistent with industry best practices and IT project management principles.

Actions to increase staffing capacity. OPM's actions have included using overtime pay and hiring additional staff. However, OPM generally does not assess the effectiveness of these actions or whether they reduce delays. For example, OPM does not measure overtime productivity or correlate overtime data with application processing data. Federal internal control standards state that management should review its performance compared to its goals. OPM officials stated that they have limited resources for assessments. However, without assessments, OPM is less able to make informed decisions on how to best use staffing practices to improve processing times.

Actions to reduce missing information in applications. OPM provides assistance to agencies through guidance, training, communication through liaisons and email, and error reports. OPM's monthly error reports to agencies include information on the type of error found and the volume of applications with the same error, according to OPM. The four agencies GAO interviewed—Department of Defense (DOD), Department of Health and Human Services (HHS), National Aeronautics and Space Administration (NASA), and U.S. Postal Service (USPS)—reported that aspects of the error reports were not user-friendly. OPM stated that its assistance is intended to help agencies submit complete and accurate retirement packages for quicker processing. Federal internal control standards state that management should communicate quality information externally and periodically reevaluate its communication methods. OPM officials stated that the error report is intended to capture the overarching errors many agencies face and that revising the error report would not be cost-effective. However, the current format of the error report may limit its usefulness to agencies in improving their retirement applications.