

Analysis on Agency Audit - FY19 through July 2021

Since 2012, OPM's Retirement Services provides all federal agencies with monthly retirement package error audit results which includes details on each unhealthy application package as well as overall agency results. [BAL 12-203](#) describes our process for auditing retirement packages for accuracy and completeness and how we report the audit findings to agencies. The [annotated Copy of the CSRS and FERS Development Checklist](#), included in this BAL, indicates errors that track to the agency HR offices, to the Payroll SSC and those that do not track to the agencies.

We have recently conducted an analysis on the most common errors recorded from Fiscal Year 2019 through July of 2021 (not including any errors found while the audit was suspended from December 2020 through March 2021). The results of the analysis show significant increases in the following error types, which amount to more than 1.8% of total errors for each year, for retirement packages received under both FERS and CSRS.

FERS

Error Type	Average Percentage of Total Accounted Errors	Percentage of Total Errors (July 2021)
Complete IRRs for covered service not included - CURRENT agency/payroll (Payroll)	3.53%	2.22%
SF 3107-1 Inaccurate service dates or missing signature (HR)	2.41%	2.93%
FICA earnings or pay rates not included, including EO adjustments (HR)	2.41%	2.49%
Schedule D: Missing (HR)	1.02%	1.87%
FEHB Proof of 5 years or 1st opportunity - Health Insurance "old & new" codes not documented (HR)	7.85%	6.13%
FEGLI Proof of 5 years or 1st opportunity not provided (HR)	2.77%	2.12%
SF 2818: Elected coverage exceeds permitted coverage (HR)	3.26%	2.45%
SF 2818 : Not signed (HR)	7.79%	6.66%
SF 2818: Missing (HR)	2.99%	2.89%
SF 2821 : Not signed (HR)	4.84%	8.57%
SF 2821: Not signed (Payroll)	7.15%	12.65%
SF 3107 : Not signed (HR)	1.43%	2.19%
SF 3107: Question #2 is not answered (regarding former spouse) (HR)	1.81%	0.49%
SF 3107-2 : Spousal Consent has unacceptable corrections (HR)	2.93%	2.03%
Marriage Certificate not Provided (if survivor annuity elected) (HR)	3.84%	3.76%
MRP not clarified: Proof of Reserve Retired Pay not included (HR)	1.82%	1.11%
DD214 or military orders not included (HR)	1.95%	1.71%
DD214 or military orders do NOT note character of service (HR)	2.12%	1.60%
P56 IRR is not marked PAID IN FULL (if submitted with application) (Payroll)	5.28%	4.03%

CSRS

Error Type	Average Percentage of Total Accounted Errors	Percentage of Total Errors (July 2021)
HBPC breakdown for offset service beginning with CY 2003 not provided on IRR (Payroll)	3.0%	2.90%
FEHB Proof of 5 years or 1st opportunity - Health Insurance "old & new" codes not documented (HR)	2.60%	2.16%
SF 2821 : Not signed (HR)	1.05%	2.25%
SF 2821 : Not signed (Payroll)	1.71%	3.14%

The purpose of this information is to further identify the challenges encountered with the information received with the retirement packages.

We review and value all of your feedback on the audit and we are working with retirement operations to refine the checklist even further based on your feedback.

Agencies are encouraged to carefully review their submissions in order to allow us to improve the package review process and final adjudication of claims.

Please feel free to contact your OPM Liaison with any questions or concerns regarding this information.

Thank you,

Benefits Officers Development and Outreach

U.S. Office of Personnel Management