

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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WASHINGTON, DC 20515-6143

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<https://oversight.house.gov>

March 17, 2021

Anita Adkins
Acting Director
National Finance Center
13800 Old Gentilly Road
New Orleans, LA 70129

Dear Ms. Adkins:

I write to request a briefing and information about the responsibility of the National Finance Center (NFC) in delaying annuity payments to new federal retirees.

According to news reports, NFC is causing significant delays in the administration of federal retirement system benefits. The Office of Personnel Management (OPM) and federal agencies depend on NFC to transmit timely and accurate service history records, which are required to administer retirement benefits. One report found that the NFC normally transmitted service history records within 30 days of an agency request but is currently taking anywhere from 60 to 90 days. That delay has placed undue and unanticipated financial concerns on retiring federal workers who have earned timely administration of these benefits. At least three agencies have warned employees of significant delays in retirement processing.¹

At a briefing with our staff on February 17, 2021, OPM reported that more than 4,000 requests for service records were delayed at NFC. According to OPM, 2.7 million annuitants currently receive retirement benefits, and about 100,000 new applicants are added every year. COVID-19 has caused delays in retirement application processing. NFC still largely employs a paper-based system, and the information technology NFC uses to process retirement applications is outdated and cumbersome.²

To help us better understand the causes of these delays, we request that you provide us the following no later than April 7, 2021:

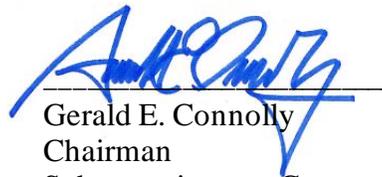
¹ See, for example, *Federal Employees Face Retirement Delays Due to Lags at NFC*, Federal News Network (Mar. 12, 2021) (online at <https://federalnewsnetwork.com/retirement/2021/03/federal-employees-face-retirement-delays-due-to-lags-at-nfc/>).

² Briefing from Kenneth Zawodny, Jr., Associate Director, Retirement Services, Office of Personnel Management, to House Oversight and Reform Committee Staff (Feb. 17, 2021).

1. Data on the average number of retirement packages NFC processed per month from 2019 to the present;
2. A short-term plan to expedite retirement package processing, including, but not limited to:
 - a. description of the causes of delayed retirement application processing,
 - b. description of challenges to addressing the causes, and
 - c. current plans to expedite processing;
3. A longer-term plan to convert the current paper-based retirement application process into a more automated system; and
4. A briefing on the current processing backlog at NFC and your efforts to address it.

The Committee on Oversight and Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. If you have any questions regarding this request, please contact Committee staff at (202) 225-5051.

Sincerely,



Gerald E. Connolly
Chairman
Subcommittee on Government Operations

Enclosure

cc: The Honorable Jody B. Hice, Ranking Member
Subcommittee on Government Operations