



INSPECTOR GENERAL

UNITED STATES OF AMERICA
FEDERAL LABOR RELATIONS AUTHORITY
WASHINGTON, D.C. 20424-0001

MEMORANDUM

DATE: September 24, 2021

TO: Ernest DuBester
Chairman

Colleen Duffy Kiko
Member

James Abbott
Member

FROM: Dana Rooney *D. Rooney*
Inspector General

SUBJECT: Top Management and Performance Challenges Facing the Federal Labor Relations Authority (MC-22-01)

In accordance with the *Reports Consolidation Act of 2000*, the Office of Inspector General (OIG) presents its annual assessment of the Top Management and Performance Challenges facing the Federal Labor Relations Authority (FLRA). The law states that the “agency head may comment on the Inspector General’s statement, but may not modify the statement.” By statute this statement should be included in the FLRA’s “Performance and Accountability Report.”

We identified these challenges based on the OIG’s experience and observations from our oversight work, as well as our general knowledge of the FLRA programs and operations. In this year’s memorandum, we identified two management and performance challenges facing the FLRA in Fiscal Year (FY) 2022. These challenges include one challenge Records Management that we reported last year. We added one new challenge Closure of Open Recommendations Outstanding for More than 1 year.

Our analysis considers the accomplishments the FLRA reported as of August 31, 2021. We noted progress that FLRA has made on the Records Management challenge. We appreciate management’s strong commitment in addressing these challenges and welcome comments to our assessment.

Attachment



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Records Management

Federal agencies are required by law (the Federal Records Act of 1950, as amended and codified in Title 44 of the United States Code) to adequately document their missions, functions, policies, procedures, decisions, and transactions. They are required to preserve historically valuable records, and it is a crime to destroy records without approval from the U.S. National Archives and Records Administration (NARA).

In 2011, Presidential Memorandum, *Managing Government Records*, required Federal agencies to manage both permanent and temporary email records in an electronic format by the end of 2016. By the end of 2019, agencies were directed by the Office of Management and Budget (OMB) and NARA in a jointly issued Memorandum M-12-18, *Managing Government Records Directive* to manage all permanent records in an electronic format.

NARA is set to stop accepting paper-based records at the end of 2022, and OMB issued M-19-21, *Transition to Electronic Records* to help agencies meet this deadline. This memorandum directs agencies to: “ensure that all Federal records are created, retained, and managed in electronic formats, with appropriate metadata, and develop plans to close agency-operated storage facilities for paper and other analog records, and transfer those records to NARA’s Federal Records Centers or commercial storage facilities.”

The memo also states, “Beginning January 1, 2023, all other legal transfers of permanent records must be in electronic format, to the fullest extent possible, regardless of whether the records were originally created in electronic formats. After that date, agencies will be required to digitize permanent records in analog formats before transfer to NARA.”

FLRA has worked diligently toward compliance with the records management directive by continuing to implement an electronic records system as well as policies and procedures to properly handle FLRA files and records. Management continues to provide employees and contractors annual mandatory Records and Information Management training. These are excellent steps forward in FLRA’s effort to comply with records management standards. In FY 2021, FLRA did not receive the funding necessary to comply with the 100 percent electronic files by December 2022, per M-19-21. If FLRA receives the requested funds in FY 2022, it is imperative that a complete oversight or governance process be established for the remaining FLRA offices to include developing and transitioning the new case management system (CMS) and fully electronic case files.



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Progress in Addressing the Challenge

FLRA provided the following management challenge update:

“FLRA has made significant strides in bringing its Records and Information Management (RIM) Program into compliance. During FY 2021, the Agency continued to actively comply with Presidential Memoranda: M-12-18 and M-19-21. Specifically, during FY 2021, the Agency revised the FLRA Records Management Program, which provides a clear definition of program objectives, responsibilities, and authorities. The benefits from the program revisions made include developing policies and procedures to provide staff guidance for their responsibilities for managing records in all formats and will improve efficiency throughout the records lifecycle. The benefits of the program revisions provide accurate information, avoidance of unnecessary costs for records storage, protection of rights, and assurance of continuity of operations at the FLRA. In alignment with the RIM program revision, we will be adding a RIM webpage and content to the FLRA intranet page.

- Additionally, FLRA continued its annual computer-based Records and Information Management training for all FLRA employees and contractors that create, receive, access, or use federal records. Each year, we are required to complete and submit three reports: The Senior Agency Official for Records Management (SAORM) Annual Report, a new Federal Electronic Records and Email Management Maturity Model Report, and the annual Records Management Self-Assessment (RMSA). FLRA complied with completing its annual RMSA and submitted the findings to NARA. The self-assessments goal is to determine whether Federal agencies are compliant with statutory and regulatory records management requirements. In just two years, FLRA has shown significant improvement from being scored a moderate risk in 2019 to a low-risk agency in 2021.

Below are the 2019 and 2021 comparative scores we received from our agency’s responses to NARA annual reports.

- SAORM Annual Report. (This report is not scored).
- RMSA for 2020 score: 94 compared to 2019 score: 77.
- Federal Electronic Records and Email Management Report for 2020 scores:
 - Part I Electronic Records Score: 64 compared to 2019 score: 52
 - Part I Electronic Records Maturity Model Score: 3.37 compared to 2019 score: 2.74
 - Part II Email Score: 15 compared to 2019 score: 11
 - Part II Email Maturity Model Score: 3 compared to 2019 score: 2.2

Finally, the Agency continues to develop and implement the technology necessary to support 100% electronic files by December 2022, per M-19-21. Unfortunately, the Agency did not receive its request for additional funding in the FY 2021 enacted budget. As a result, this will



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potentially delay the remaining offices with their development and transition to the new CMS and fully electronic case files. However, the Agency continues to add funds where possible with any available end-of-year funds to keep the project moving. The Agency is again requesting funds through the FY 2022 budget request and remains hopeful to receive the needed funds to complete this project on time.

As described above, the Agency continues to take steps to address its identified management challenge. We look forward to continuing to work with you on addressing and resolving any outstanding matters, as well as any management challenges identified for FY 2022 and beyond.”

What Needs to Be Done

FLRA needs to continue its efforts in securing the necessary budget resources to successfully achieve compliance with OMB deadlines.

Key OIG Resources

- President Memorandum, *Managing Government Records*, signed on November 28, 2011
- OMB Directive M-12-18, *Managing Government Records Directive*, issued August 24, 2012
- OMB/NARA Memorandum M-14-16, which included NARA Bulletin 2014-06, *Guidance on Managing Email* issued September 14, 2014
- NARA Memorandum, *Records Management Priorities for 2017*, issued March 15, 2017
- OMB Memorandum M-19-21, *Transition to Electronic Records*, signed on June 28, 2019



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Closure of Open Recommendations Outstanding for More Than 1 Year

The Inspector General Act of 1978, as amended, requires explanations for all audit reports with recommendations open for more than one year. These outstanding recommendations are also reported to the FLRA and Congress in the OIG’s Semiannual Reports to Congress. Since the March 31, 2021 OIG Semiannual Report, the FLRA has closed a significant number of outstanding recommendations which was a culmination of a long-term effort that represents a significant accomplishment. However, at this time, FLRA has nine open recommendations outstanding for more than 1 year.

Accordingly, a new challenge identified for this year concerns the closure of open recommendations outstanding for more than one year. In March 2020, the OIG issued a Management Advisory Review of Credit Hours and Premium Pay (MAR-20-03) and made 17 recommendations. In March 2021, the OIG performed a Follow-up Review from the 2020 Credit Hours and Premium Pay (MAR-21-03) and closed 14 of the 17 open recommendations.

On September 8, 2020, the OIG issued a Management Advisory Review of FLRA’s Appointment of Contracting Officer’s Representative (MAR-20-07) and made six recommendations. In August 2021, at the request of the Agency due to extenuating circumstances, the OIG agreed to delay our 2021 follow-up review until the Administrative Services Division is able to take the necessary action to remediate the six open weaknesses. The OIG believes by delaying the follow-up review, management will have additional time to address the extenuating circumstances and take all corrective action needed to close these weaknesses.

The table below shows a summary of reports with corrective actions outstanding for more than 1 year and whether report recommendations are open or closed.

Reports with Corrective Actions Outstanding for more than 1 year

Report Title	Report Number	Issue Date	Number of Recommendations	Closed	Open
Management Advisory Review of Credit Hours and Premium Pay	MAR-20-03	3/11/20	17	14 ¹	3
Management Advisory Review of FLRA’s Appointment of Contracting Officer’s Representative	MAR-20-07	9/8/20	6	0	6

¹ OIG performed a Follow-up Review from the 2020 Credit Hours and Premium Pay Report MAR-21-03 dated March 15, 2021 closed 14 of the 17 open recommendations.



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At this time, FLRA has nine recommendations outstanding for more than 1 year. As the OIG continues to issue reports with recommendations, it is critical that the FLRA continue its progress in resolving open findings that are outstanding from prior audits, and design appropriate corrective action plans to implement procedures and address deficiencies, where appropriate. FLRA management should also continuously monitor these plans to ensure timely audit resolution.

Key OIG Resources

- OIG Report, Follow-up Review from the 2020 Review of Credit Hours and Premium Pay, March 15, 2021
- OIG Report, Management Advisory Review of FLRA's Appointment of Contracting Officer's Representative (MAR-20-07), September 8, 2020
- OIG Report, Management Advisory Review of Credit Hours and Premium Pay (MAR-20-03), March 11, 2020