



Office of Inspector General

Management Advisory Review of
Credit Hours and Premium Pay

MANAGEMENT ADVISORY
REVIEW OF CREDIT HOURS
AND PREMIUM PAY

Report No. MAR-20-03

Federal Labor Relations Authority
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Colleen Duffy Kiko, Chairman

The Federal Labor Relations Authority (FLRA or Authority) Office of Inspector General (OIG) performed a management advisory review of FLRA employees' earning of Credit Hours and Premium Pay. The objectives of the review were to determine whether FLRA's policies, controls, and processes for earning credit hours and premium pay were properly administered and conform to government requirements.

Results in Brief

Presidential memos issued in 1994 and 1996, in concert with Congressional Legislation enacted in 1982, "kickstarted" the development and implementation of family friendly work arrangements in executive branch agencies. FLRA provides family friendly alternative work schedules (AWS) through its AWS Policy No. 3640, which was put into effect in 2011.

During the approximately 20 months of the review period, from October 1, 2017 through May 25, 2019, 69 employees out of 137 employees utilized the AWS program to earn credit hours. Approximately 3,300 credit hours were earned during this period. Under FLRA's AWS policy, credit hours are earned by employees who work under a variable day schedule (or gliding schedule) and then elect to work in excess of the "Basic Work Requirement." The Basic Work Requirement is 80 hours of work every two weeks for full-time employees. Credit hours are integral to the flexible work program, it is the mechanism that allows employees to vary the length of their workweek or workday by earning and later using credit hours.

The review looked at the implementation of FLRA's AWS policy requirements, which also covers other work schedules, related time and compensation issues. During the review we found that some of the policy requirements were being violated and that some requirements did not comply with government laws and/or regulations, or needed to be reviewed by management for possible revision. We also noted some other control weaknesses for which we made recommendations.

Policy requirements for which violations were noted:

- * Most time logs were not maintained- only 1 office/division out of 15 required employees to log their arrival and departure times.
- * Time log entries did not appear to be actual arrival times in some cases- in some instances time entries appear to be rounded and do not reflect times to the minute.
- * Rounding down time worked was not always done- from sampling the time log provided, we found 5.5% of the time reviewed had been rounded up in WebTA (a web-based time and attendance system). FLRA's established work hours were not

always followed- from sampling the time log, we noted that 6.8% of workdays had start or ending times not within the established work day

- * Credit hours were earned and should not have been earned on training days- credit hours were recorded for approximately 8.6% of all training days.

Recommendations for policy changes and updates, and recommendations that management review and consider certain policies for change.

- * Consider if the “Round Down Daily” Rule used in accounting for fractional work time should continue to be required; government requirements for similar fractional work has required rounding to the nearest quarter hour.
- * Reconsider, in light of Office of Personnel Management (OPM) permitting participation and in consideration of the policy’s purpose, denying SES personnel participation in the AWS program.
- * Retitle the AWS policy definition for “Variable Day Schedule to Variable Week Schedule, in conformity to OPM’s definitions.
- * Update the policy to include, Compensatory Time for Travel, in the discussion of work for an employee in travel status.
- * Define “necessary work” in the policy and require credit hour work to be documented to address potential excess earning of credit hours.
- * Reconsider providing supervisor discretion for denial of earning credit hours unless criteria is established.
- * Remove the requirement for absences, that a minimum sick leave or annual leave charge of 5 hours be taken, and/or clarify the language that the minimum leave charge (or equivalent) is the amount necessary to cover core hours not worked.
- * “In lieu” of holidays should be revised to reflect OPM requirements.
- * Revise the AWS policy to ensure that those employees on a flexible work schedule of 80 hours biweekly are permitted 8 hours of holiday leave, regardless of their scheduled work hours.
- * Eliminate the earning of credit hours while taking leave or other time off.
- * Require that Work Schedule Selection Forms be approved with each change in supervisors and annually.
- * Remove all references to FLRA’s Collective Bargaining Agreement and the UAE.

Other recommendations concern management procedures, the most significant being, that to the extent possible, supervisors with knowledge of an employee’s biweekly work time and work projects, usually the immediate supervisor, should be the one to certify an employee’s timesheet in WebTA. The other recommendations concern retention and the availability of records in the Human Resources Division and defining unique categories for each type of work schedule in WebTA.

Background

In 1978, Congress passed the "Federal Employees Flexible and Compressed Work Schedules Act of 1978." The Act’s passage was in response to new work schedule trends in the private sector that included: a 4-day workweek, flexible work hours, and other

workday and workweek schedules. The Act permitted experimentation by federal agencies for a 3-year period to determine the viability of these types of schedules in the federal workplace.

In 1982, Congress found in 5 U.S.C. § 6120, “that the use of flexible and compressed work schedules had the potential to improve productivity in the Federal Government and provide greater service to the public.” Subsection 6122 of the Act permitted agencies to implement a policy allowing flexible work schedules. Requirements for a flexible work schedule policy include that it should require the days and times an employee should be present at the office, and it should allow for employees to control of their own arrival and departure times, solely for that purpose (subject to the agency’s limitations), or for the purposes of accumulating credit hours to shorten the workweek or another workday. The Office of Personnel Management (OPM) was designated to prescribe regulations for the administration of flexible workplace programs.

In 1993, President Clinton created the National Performance Review Task Force; it had two goals, which were to “make government work better and cost less.” One of its recommendations, adopted by President Clinton, was that a more family-friendly workplace was needed in order to recruit and retain a Federal workforce that could provide the highest quality of service to the American people. In 1994, a Presidential Memorandum was issued that directed the head of each executive department or agency to establish a program to encourage and support the expansion of flexible family-friendly work arrangements, including, alternative work schedules. Another presidential memo, in 1996, called for each agency head to develop an action plan to implement a flexible work schedule program.

FLRA’s current Alternative Work Schedule (AWS) Policy No. 3640,¹ became effective December 1, 2011. The policy’s introduction states,

AWS enables the FLRA to provide increased customer service through extended office coverage while also allowing employees flexibility in scheduling their activities. Accordingly, the FLRA's policy is to accomplish its mission while accommodating individual employee schedule needs to the extent possible, with a shared sense of accountability and responsibility among employees, supervisors, and managers. (p. 1)

As discussed above, under the 1982 Legislation, the earning of credit hours is an integral part of the flexible work schedules, it is the mechanism by which flexible time is accrued and used. OPM defines credit hours as those hours within a flexible work schedule that an employee elects to work in excess of his or her basic work requirement so as to vary the length of a workweek or workday, and also as those hours that an employee elects to work, with supervisory approval, in excess of the employee’s basic work requirement under a flexible work schedule. Much of FLRA’s AWS policy addresses what is normal work hours and what constitutes additional time worked, i.e., credit hours, and how these

¹ General and Administrative Policy Instruction FLRA No. [3640](#)

hours should be tracked and recorded.² In addition, overtime work that is not credit hours may constitute Compensatory Time Off, which OPM defines as:

- Time off with pay in lieu of overtime pay for irregular or occasional overtime work, **or**
- When permitted under agency flexible work schedule programs, time off with pay in lieu of overtime pay for regularly scheduled or irregular or occasional overtime work.

FLRA Instruction No. 3551. Overtime and Compensatory Time, was implemented on February 28, 1998 and details the method by which Overtime and Compensatory time are earned, and used.

The outstanding balances of credit hours and Compensatory Time hours at the start of the review were, 503.75 and 5.75, respectively. During the review period, from October 1, 2017 through May 25, 2019³ (20 months), there were 69 employees, out of a total of 137 employees, that earned 3,287.75 credit hours, and 13 employees that earned 153.25 hours of Compensatory Time hours, with 3 of these employees earning both credit hours and Compensatory Time hours for total of 30 hours of Compensatory Time. The credit hour ending balance and Compensatory Time hour ending balance at the end of the review period were, 357.25 and 18.50, respectively.

Definition of Work Schedules

Fixed Work Schedule- This is exemplified by a work schedule of 8 hours per day, 40 hours per week.⁴

Alternate Work Schedule (AWS)- This consists of “flexible work schedules (FWS) and compressed work schedules (CWS).”⁵ This report only concerns matters related to FWS.

Note: FLRA’s AWS policy defines AWS as also including a “Fixed Tour Work Schedule,” a schedule in which the same arrival and departure patterns for each of the days in the biweekly pay period must be maintained for each successive biweekly pay period, with an 8-hour work day, each day.

Compressed Work Schedule (CWS) - A CWS meets the basic work requirement of 80 hours in less than 10 work days. Arrival and departure times and non-workdays are fixed. There are no provisions for flexitime or gliding schedules under a CWS program, and credit hours are not permissible. Depending on the applicable agency policy or applicable collective bargaining agreement, employees may be able to select one of 3 CWS options:

² The policy also contains other requirements related to work hours and pay that are not AWS program items.

³ This was the last full pay period of May 2019.

⁴ OPM, “Pay & Leave Pay Work Schedules, Fact Sheet: Flexible Work Schedules,” <https://www.opm.gov/policy-data-oversight/pay-leave/work-schedules/fact-sheets/alternative-flexible-work-schedules/> (Note: OPM refers to a 40 hour per week work schedule as a traditional fixed work schedule).

⁵ OPM, “Pay & Leave, Reference Materials, Handbook on Alternative Work Schedules.” December 1996. <https://www.opm.gov/policy-data-oversight/pay-leave/reference-materials/handbooks/alternative-work-schedules/>.

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- 5-4/9 Plan: Employee works 8 9-hour days and 1 8-hour day each pay period.
 - 4-Day Workweek: Employee works 4 10-hour days each workweek.
 - 3-Day Workweek: Employee works 3 days of 13 hours and 20 minutes each work week.⁶

Flexible [Work] Schedule (FWS)- “A work schedule established under 5 U.S.C. 6122, that in the case of a full-time employee, has an 80-hour biweekly basic work requirement that allows an employee to determine his or her own schedule within the limits set by the agency...”⁷

Note: All discussions in this document concerning flexible work schedules are made in reference to full-time employees unless otherwise noted.

Gliding [Work] Schedule- A type of flexible work schedule in which a full-time employee has a basic work requirement of 8 hours in each day and 40 hours in each week, may select a starting and stopping time each day, and may change starting and stopping times daily within the established flexible hours.⁸

Variable Day [Work] Schedule- A type of flexible work schedule containing core hours on each workday in the week and in which a full-time employee has a basic work requirement of 40 hours in each week of the biweekly pay period, but in which an employee may vary the number of hours worked on a given workday within the week within the limits established for the organization.⁹

Variable Week Schedule- A type of flexible work schedule containing core hours on each workday in the biweekly pay period and in which a full-time employee has a basic work requirement of 80 hours for the biweekly pay period, but in which an employee may vary the number of hours worked on a given workday or the number of hours each week within the limits established for the organization.¹⁰

Maxiflex- “A type of flexible work schedule that contains core hours on fewer than 10 workdays in the biweekly pay period and in which a full-time employee has a basic work requirement of 80 hours for the biweekly pay period, but in which an employee may vary the number of hours worked on a given workday or the number of hours each week within the limits established for the organization.”¹¹

⁶ United States Department of Agriculture, “Alternative Work Schedules (AWS),” <https://www.dm.usda.gov/employ/worklife/worklife/aws.htm>.

⁷ OPM, “Pay & Leave, Reference Materials, Handbook on Alternative Work Schedules.” December 1996. <https://www.opm.gov/policy-data-oversight/pay-leave/reference-materials/handbooks/alternative-work-schedules/>.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

Results of Management Advisory Review

Congressional legislation and OPM's administrative regulations define the overall requirements for flexible workplace programs. FLRA's AWS policy implements the flexible workplace program for FLRA employees in accordance with those requirements. Below is a listing of FLRA's policy requirements for which significant exceptions were noted with relevant comments and information concerning each.

AWS Policy No. 3640 - Requirements Not Followed:

Below is a bulleted list of requirements from FLRA's AWS Policy No. 3640 where violations were found. After each bulleted item is a description of the violation of that requirement, together with any applicable comments thereon.

- (1)** Employees on a flexible work schedule must record their actual arrival and departure times in the Daily Sign-In / Sign-Out Record (time log) which was described as an attachment to the AWS policy.¹²

The FLRA has 15 offices for which 20 supervisors were contacted for information pertaining to the review and to request copies of the daily time logs. Only one supervisor, representing one office, provided the requested time log (5 employees were logging their time on the time log provided). In addition, supervisors provided time logs that were maintained by two individual employees. All other supervisors responded that they either did not maintain the time logs or that time was tracked via WebTA.¹³ One supervisor responded that, in 2013, when WebTA was installed, that employees used that to sign in and sign out. Also, the Executive Director said, WebTA is the agency log for reporting time in and out.

For the time logs provided, we observed what appears to be rounding of arrival and/or departure times to the quarter hour as employees for some of the reviewed time-frames consistently recorded times as the quarter hour.

- (2)** Employees in a travel status must maintain a time log for certification by their supervisor upon their return to the office.

No time logs for travel were provided in response to the request for this item. Supervisors responded that time logs were not kept or that they were kept through WebTA, so actual arrival and departure work times for those in a travel status are also not maintained.

¹² The attachment was referenced in the policy but was not attached to the document and was not available on FLRA's intranet.

¹³ WebTA is a web-based time and attendance application used by FLRA in which an employee records his or her work time and which is certified by their supervisor (or other accountable person); later the time information is gathered by the Human Resources Division for processing and payment.

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- (3)** The AWS policy requires application of the “Round Down Daily” Rule, that all work be tracked/recorded based upon actual arrival and departure times, and that work be credited for payment based upon the rounding down of work time to the lowest 15 minutes increment, i.e., “no rounding up is allowed.” For example, work of 14 minutes cannot be rounded up and does not count as time worked.

We judgmentally selected 10 pay periods for the 5 employees using the logs mentioned above,¹⁴ for which we analyzed arrival and departure times for 237 days for which time was logged.¹⁵ These times were compared to the times recorded in WebTA. For the 237 days reviewed for 5 employees, we found 13 instances of time that had been rounded up in WebTA, this is approximately 5.5% of the sample. The total aggregate time rounded up was approximately 13 hours.

For the three numbered requirements concerning time logs above, we conjecture, from the supervisory response and the lack of the time log attachment to the policy, that management may have tried to eliminate the written time logging of arrival and departure times without documenting the policy change. Therefore, because of this observation, the lack of time logs being kept, and issues in recording time log information, we ask management to consider the need for time logs as part of its policy, or perhaps whether WebTA could provide for the time log requirement. Whatever is decided, it should be reflected in FLRA’s policy, and the policy should be followed and enforced. Additional comments are made in the next section that concern the handling of logged time that should also be considered in the decision. See the discussion of the “Round Down Daily” Rule below.

Recommendation:

See recommendations 3 and 4, for the 3 items discussed above.

- (4)** Only FLRA work hours (“core hours” plus the “flexible time bands”) between 6:30 A.M. and 7:00 P.M. can be credited as time worked.

Using the sample described above for the only office time log provided, we found 47 instances of time recorded in the time log prior to or after the designated work hours; totaling approximately 16 hours. Of the 47 instances, 16 were recorded by employees in WebTA, totaling 6.8% of the total work days reviewed; an additional 2.5 hours (approximately) of time worked.

The total WebTA per day recording error rate is approximately 12.3% (5.5% of days that had been rounded up from the violation noted above and the 6.8% that was recorded in WebTA for hours outside of permitted work hours).

¹⁴ There were at 69 employees on an AWS schedule that earned credit hours during the review period that would have been required to keep time logs. However as stated earlier, only 1 of 15 offices maintained a time log for five of its employees. As a result, this sample may not be representative of the entire population, and the user should keep this limitation in mind when reference is made to it, in this report.

¹⁵ The original sample number of days was 244 for which we eliminated 7 days for recording errors.

Given that the AWS policy was issued in 2011, and the servicing needs for the federal community may have changed because of the increased reliance on computers, and that we found almost 20% (47/237) of work start time was recorded prior to or after core hours, management should evaluate if core hours should be expanded. Whatever policy change is adopted needs to be followed.

Recommendation:

1. We recommend that the Director of the Human Resources Division, review the flexible time bands and determine if they should be expanded, and also determine what additional measures, if any, should be adopted to ensure that employees are only receiving credit for time worked within the established work day.

Management's Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management's agreement to resolve this recommendation. See the full text of management's response in Appendix 2.

(5) For an employee delivering or receiving training for 3 days or less, the employee must conform their work hours to the hours of the training schedule; for those involved with training for more than 3 days, they must convert to a fixed 5-day, 8-hour work schedule for the pay period.¹⁶

We obtained training dates and hours to the extent they were available from the Human Resources Division (HRD) and from FLRA supervisors and determined that there were 23 instances where employees earned credit hours on dates when training was received or delivered for a total 24 ¾ hours. The training dates where employees earned credit hours was approximately 8.6% of the total of all training dates for those that earned credit hours.¹⁷

Per OPM, credit hours cannot be earned for time spent in agency required training. FLRA's policy's intention concerning the non-earning of credit hours for work involving training complies with OPM, but the policy needs to be better communicated and enforced to ensure credit hours are not earned for training activities.

¹⁶ This is consistent with OPM's requirement, that credit hours should not be earned by employees taking training or that have homework. However, the requirement does not specifically address training provided to others, as does FLRA's policy. OPM. "Pay & Leave, Fact Sheet: Credit Hours Under a Flexible Work Schedule." August 21, 2016. <https://www.opm.gov/policy-data-oversight/pay-leave/work-schedules/fact-sheets/credit-hours-under-a-flexible-work-schedule/>.

¹⁷ The policy concerning partial days of training could have been clearer, employees may not understand that it should apply to all days when there is training.

Recommendation:

2. We recommend that the Director of the Human Resources Division, better communicate and enforce the requirement that credit hours not be earned on any days that training occurs.

Management's Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management's agreement to resolve this recommendation. See the full text of management's response in Appendix 2.

Revisions Needed to AWS Policies

For the next several paragraphs, we used the same type of format as was used in the previous section; a description of the policy statement (all policy statements come from AWS Policy No. 3640 unless otherwise noted)/requirement followed by our comments concerning it.

- (6)** The policy rule D. 1. h., the "Round Down Daily" Rule, whose compliance was discussed in the previous section of this report, requires that all time worked be rounded down to nearest quarter hour and that no time worked can be rounded up.

The Rounding down of time worked violates the Fair Labor Standards Act (FLSA) for any overtime involved for covered employees. Per OPM, "an employee shall be compensated for every minute of regular overtime work," and that for occasional overtime work, "a quarter of an hour shall be the largest fraction of an hour used..." 5 CFR § 551.521(a)(b). During Department of Labor (DOL) investigations¹⁸ concerning tracking of employee work hours that were recorded in 15-minute increments, DOL stated, the FLSA maybe violated by always rounding down, and that employee time from 1 to 7 minutes may be rounded down and not counted as hours worked but time from 8 to 14 minutes must be rounded up and counted as a quarter hour of work time.¹⁹ For non-FLSA overtime pay computations (or substituted Compensatory Time Off),²⁰ OPM has said that for work performed other than the full fraction [of a quarter hour], odd minutes shall be rounded up or rounded down to the nearest full fraction of an hour used to credit overtime work. 5 CFR § 550.112 (a) (2).

¹⁸ OPM must follow the terms of the Act and be consistent with the Department of Labor to the extent practicable to maintain consistency with the Act. See 5 CFR § 551.101.

¹⁹ United States Department of Labor. "United States Department of Labor Fact Sheet #53 – The Health Care Industry and Hours Worked." July 2009. <https://www.dol.gov/whd/regs/compliance/whdfs53.htm>.

²⁰ 5 U.S. Code § 5543 (a)(b).

The regulations and investigative findings mentioned above, require that FLSA time reporting and overtime pay reporting be to the nearest quarter hour for fairness to its employees and not be “rounded down.” Moreover, although legal definitions and approval requirements for overtime pay/Compensatory Time Off and credit hours differ, they both result from time worked in excess of a required period of work (a work day, a work week, or a bi-weekly pay period, etc.). Consequently, since FLRA needs to ensure it complies with the fairness requirements of the FLSA for its covered employees, and the parallel OPM overtime requirements which are applicable to all FLRA employees, we recommend the most expedient method of managing all fractional hours, is to round work time to the nearest quarter hour. This rounding method reduces confusion from having multiple methods for computing fractions of quarter hours (as noted in the previous section discussing the Round Down Rule, there were numerous violations and lack of enforcement by staff and supervisors), it helps to ensure compliance with the FLSA fairness requirements and OPM’s parallel overtime payment requirements, and is the fairest method of determining fractional time worked for all FLRA employees.

Recommendations:

We recommend that the Director of the Human Resources Division:

3. Determine and evaluate the need to have a written time log and the need to capture a per minute accounting of an employee’s arrival and departure time.
4. Reevaluate and revise accordingly, the “Round Down Daily” Rule for credit hours, taking into consideration, the lack of compliance, the rule’s fairness, the difficulty in administering different recording requirements for the various types of overtime pay, and best practices as provided for in other federal overtime pay laws and regulations.

Management’s Response

Management concurs with the recommendations and agrees to work with us on addressing and resolving them.

OIG Comment

We appreciate management’s agreement to resolve these recommendations. See the full text of management’s response in Appendix 2.

- (7) Part A. 5. a. states that, “All employees, supervisors, and managers may participate in the AWS program, except that, absent unusual circumstances, members of the Senior Executive Service may not participate in the program.”

Although there is no regulatory violation by this policy statement, one of the rationales for the FLRA’s AWS policy was to allow employees flexibility in scheduling their activities. Members of the Senior Executive Service are not permitted to earn credit hours per OPM regulation, 5 CFR

§610.408, but otherwise are permitted to participate in the program.²¹ For example, SES employees could vary their workday hours as long as the core hours and biweekly work requirements were met, or they could participate in a Gliding Work Schedule. In light of the purposes for which FLRA AWS' policy was established, management should re-consider whether it should allow SES participation in its FWS program.

Recommendation:

5. We recommend that the Director of the Human Resources Division, review and adjust the policy limitations on SES employee participation as deemed appropriate.

Management's Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management's agreement to resolve this recommendation. See the full text of management's response in Appendix 2.

- (8)** Section A.6.f (2) of the AWS policy identifies the requirements of a Variable Day Work Schedule as permitting variance of the work day length, as long as, "...all days and hours in a biweekly pay period [80 hours for full time employees] are scheduled for work, leave, or credit hours [subject to other stipulations]."

Per OPM, the definition of a Variable Day Schedule, allows the employees to vary the work day length but requires a 40-hour work week (subject to the agency's other requirements). A Variable Week Schedule also allows an employee to vary the work day length, but requires 80 hours be worked in a biweekly pay period.²² FLRA management needs to correct the AWS policy language to reflect the correct name of the work schedule, from "Day" to "Week."

Recommendation:

See recommendation 6 below.

- (9)** After Section D. 1. D, Work Schedules for Employees in Travel Status, of the AWS policy statement, examples are provided that describe an employee in a travel status that has not fulfilled his (or her) work day requirement, and states that the missing work hours must be made up. A note to this example discusses that administratively controllable travel is not compensable.

AWS Policy No. 3640 and FLRA Instruction No. 3551, Overtime and Compensatory Time, both address travel time and how it should be considered in

²¹ OPM, "Pay & Leave, Reference Materials, Handbook on Alternative Work Schedules." December 1996. <https://www.opm.gov/policy-data-oversight/pay-leave/reference-materials/handbooks/alternative-work-schedules/>.

²² Ibid.

conjunction with scheduled work hours, but the policies are silent on the matter of earning Compensatory Time for Travel. Compensatory Time for Travel is available to Executive Department Employees, if such time is not otherwise compensable.²³ FLRA’s WebTA time program allows selection of the Compensatory Time for Travel category. This time category was utilized during the review period on several occasions; accordingly, FLRA policies need to address its use. OPM has issued guidance concerning the use of Compensatory Time Off for Travel, as discussed in the references provided by footnote 23. FLRA should consult these references in conjunction with development of its policies.

Recommendation:

6. We recommend that the Director of the Human Resources Division, modify the AWS policy language to correct the title, Variable Day Schedule to state that it is a Variable Week Schedule, and also modify the discussion of travel status and work day requirements to include the availability of Compensatory Time for Travel.

Management’s Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management’s agreement to resolve this recommendation. See the full text of management’s response in Appendix 2.

(10) D. 2. B. (1) of the AWS policy requires that credit hours can only be earned for assigned and necessary work.

The policy contains no definition for “necessary work” and there is no requirement to document what work was done, in WebTA or elsewhere. Most of the credit hours earned appeared to be in the normal realm; however, the top 4 employee credit hour earners accounted for 25% of the total credit hours. These high credit hour earned amounts give us some concern about the need to work these hours (i.e., was it necessary work that was completed), and the employee’s availability to help the agency meet its customer servicing goals during normal work hours. The credit hour amounts (rounded) are presented in the table below.

²³ OPM, “Pay & Leave Pay Administration, Fact Sheet: Compensatory Time Off for Travel,” <https://www.opm.gov/policy-data-oversight/pay-leave/pay-administration/fact-sheets/compensatory-time-off-for-travel/>. OPM’s implementing regulations are contained in, 5 CFR 550, subpart N, and legislation is at, 5 U.S. Code § 5550b (a). The legislation states, “Notwithstanding any provision of section 5542(b)(2) or 5544(a), each hour spent by an employee in travel status away from the official duty station of the employee, that is not otherwise compensable, shall be treated as an hour of work or employment for purposes of calculating compensatory time off.”

Table of the 4 highest credit hour earning employees

	For the Review Period, 10/1/17 - 5/25/19	For the 2018 Fiscal Year	For the 2019 Fiscal Year to Date- (8 Months/ and an annualized (Est.)**
Employee 1	334	222	112/ 171
Employee 2	189	118	71/ 109
Employee 3	167	112	55/ 84
Employee 4	143	87	56/ 86
Total*	832		

*Any differences are due to rounding.

** Annualization was based on 17 past pay periods and a 26 pay period year.

We believe management needs to address potentially unnecessary work being claimed as credit hours by requiring documentation in WebTA (or elsewhere) that demonstrates to supervisors the necessity of the specific work tasks claimed as credit hours, prior to supervisory approval.

Recommendation:

7. We recommend that the Director of the Human Resources Division, define the term, “necessary work” in the AWS policy and require that such work be documented in WebTA or elsewhere, as appropriate, prior to supervisory approval of credit hours.

Management’s Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management’s agreement to resolve this recommendation. See the full text of management’s response in Appendix 2.

(11) Section D. 2 B. (2) states, “at the supervisor's discretion, supervisory approval may be required before an employee can earn credit hours. If supervisory approval is required, the approval will be based on workload requirements.”

Permitting supervisory discretion for the earning of credit hours is inconsistent with the other program participation rules that are spelled-out. Those program participation rules include: to be eligible, the employee must have a performance rating of at least “fully successful;” FLRA office functions may not be disrupted; and the employee must not be abusing the program. However, the AWS’ policy concerning the earning of credit hours (which is a significant part of the AWS program) is subject to the supervisor’s discretionary approval, and has no unique

implementation criteria.²⁴

This supervisory discretion allows for a myriad of accusations or actual program abuses, such as those described under prohibited personnel practices, including: discrimination, retaliation, and coercion. We believe management should be consistent with its administration of the AWS program and either revise its policies and establish criteria for the denial of the earning of credit hours or remove this discretionary ability.

Recommendation:

8. We recommend that the Director of the Human Resources Division, reevaluate and determine if FLRA should continue to permit supervisors discretionary authority to disallow the earning of credit hours without appropriate criteria for that decision, or develop appropriate criteria for that decision.

Management's Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management's agreement to resolve this recommendation. See the full text of management's response in Appendix 2.

(12) Part D. 3. of FLRA's AWS policy for absences states, "... for an employee working under the variable day work schedule, the minimum charge of sick or annual leave for any work day is 5 hours, which is the minimum amount of time the employee is required to be in a work status in any one work day."

We could not find any basis for the policy requiring a minimum charge to leave of 5 hours in OPM's guidance. The only applicable information concerning this requirement appears to negate it. The guidance does not set a minimum number of hours for sick or annual leave that must be charged. Instead, it discusses the basic work requirement under a flexible work schedule as, "the number of hours, excluding overtime hours, an employee must work or otherwise account for by leave, credit hours, holiday hours, excused absence, compensatory time off, or time off as an award."²⁵

We spoke to FLRA's Director of HRD concerning the 5-hour minimum leave charge requirement, who under the AWS policy (See Section A. 5. c.) is charged

²⁴ The AWS policy states that discretionary decisions concerning the earning of credit hours should be based upon "workload requirements." The difference between this term and the requirement for all earned credit hours, per D.2.b. (1), that all "credit hours may be earned only in the performance of assigned and necessary work" appears indistinct.

²⁵ OPM, "Pay & Leave, Reference Materials, Handbook on Alternative Work Schedules." December 1996. <https://www.opm.gov/policy-data-oversight/pay-leave/reference-materials/handbooks/alternative-work-schedules/>.

with providing guidance on the program’s administration. She believes the requirement was meant to be used to account for the 5 core hours required (10:00 a.m. to 3:00 p.m.) when an employee takes a full day of sick or annual leave [actually for those not working enough time to cover their core hours] for those working a variable day schedule. However, she agreed that the use of the words, “minimum charge for any sick or annual leave” as 5 hours is misstated, and does not allow for the occurrence of partial sick or annual leave absences.

Management needs to review the wording in this section of the AWS policy and determine how best to re-write it to convey its meaning.

Recommendation:

9. We recommend that the Director of the Human Resources Division, correct the AWS policy, to allow those employees working under a Variable Week Schedule to utilize partial sick or annual leave time in appropriate increments, and remove the requirement for a minimum sick leave charge of 5 hours, and/or clarify the language that it is the minimum charge for credit hour or leave to cover any scheduled core hours not worked.

Management’s Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management’s agreement to resolve this recommendation. See the full text of management’s response in Appendix 2.

(13) Section D. 5 a. and b. discusses time off given for holidays as described below.

Part (a) of this section describes in lieu holiday time off (pay) for those employees on a compressed work schedule; and that the “in lieu of” holiday is the preceding day, unless it’s a Monday, in which case the “in lieu of” holiday is Tuesday.

OPM guidance make no distinction for Mondays, the “in lieu of” day off is normally the preceding day, unless a different “in lieu of” holiday is determined necessary by the head of the agency to prevent an "adverse agency impact."²⁶

Part (b) of the policy concerns holidays for those on a flexible work schedule and does not mention an “in lieu of” holiday. The policy only provides for a holiday for the hours an employee is scheduled to work if a holiday falls on that day, for a maximum of 8 hours.

OPM guidance states, “on a holiday, employees under flexible work schedules are credited with 8 hours towards their 80-hour basic work requirement for the pay

²⁶ OPM, “Pay & Leave Pay Administration, Fact Sheet: Federal Holidays - Work Schedules and Pay,” <https://www.opm.gov/policy-data-oversight/pay-leave/pay-administration/fact-sheets/holidays-work-schedules-and-pay>. Note, for a Sunday scheduled day off or inauguration day, different rules apply.

period.”²⁷ This is without regard to the number of hours an employee is scheduled to work, or whether an employee is scheduled to work at all that day. FLRA needs to correct the aforementioned errors and/or update the policy requirements within these sections to comply with legislation and OPM implementing regulations and guidance.

Recommendations:

We recommend that the Director of the Human Resources Division:

10. Revise the AWS policy rules for compressed schedules so that the normal “in lieu” of holiday for all days on which a holiday falls, including Mondays, is the preceding day.

11. Revise the AWS policy to ensure that employees on a flexible 80 hour biweekly work schedule are permitted holiday leave for 8 hours, regardless of the number of hours scheduled for work on a day designated as a holiday.

Management’s Response

Management concurs with the recommendations and agrees to work with us on addressing and resolving them.

OIG Comment

We appreciate management’s agreement to resolve these recommendations. See the full text of management’s response in Appendix 2.

(14) Of items not discussed in the policy, are the earning of credit hours while for the same day charging time-off to other leave categories (e.g., annual, sick, credit hours used, etc...). For example, taking sick leave of 3 hours while on the same day claiming 2 credit hours earned.

Although the above described issue is not a widespread practice, we noted five instances of employees earning credit hours on days when sick leave, annual leave, or credit hours were being taken. This represents approximately 3% of the sample reviewed.²⁸ We discussed this matter with the Director of HRD, who agreed that this should not occur and the practice needs to be discontinued. When an employee charges leave, this means the employee was unable or decided not to work the number of hours scheduled, and accordingly could not be earning extra hours from overtime work, e.g., credit hours or compensatory hours. This practice, is in essence, swapping leave for credit hours. We believe management needs to address this issue.

²⁷ Ibid. Also, see legislation at, 5 U.S. Code § 6124.

²⁸ Sufficiently detailed reports were not available to allow for a 100% percent review for this attribute; we judgmentally sampled approximately 172 individual employee payroll periods in conjunction with our review of credit hour earning amounts greater than 2 hours; a sample pool of 561 payroll periods (from a total potential pool of 1194 items).

Recommendation:

12. We recommend that the Director of the Human Resources Division, create a policy requirement that ensures credit hours are not earned on days when annual leave, sick leave, compensatory time, credit hours, or similar are used.

Management's Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management's agreement to resolve this recommendation. See the full text of management's response in Appendix 2.

(15) The AWS policy has several references related to FLRA's collective bargaining agreement and/or the UAE.

The agreement was terminated upon its expiration by the FLRA on December 21, 2018. All references to the agreement and to the UAE should be removed from FLRA's AWS policy in order to avoid confusion and to properly present the parameters of the policy.

Recommendation:

13. We recommend that the Director of the Human Resources Division, remove all references to FLRA's collective bargaining agreement and to the UAE.

Management's Response

Management concurs with the recommendation and agrees to work with us on addressing and resolving it.

OIG Comment

We appreciate management's agreement to resolve this recommendation. See the full text of management's response in Appendix 2.

Matters Involving the Human Resources Division

Part of our review of credit hour earning policies, required us to review training, performance appraisals, approved work schedules, and WebTA certifications. These items are either maintained and/or managed by the Human Resources Division (HRD). This section of the report discusses the findings related to these records and/or activities in HRD.

HRD has a relatively new director who began work in May of last year, so many of the business practice weaknesses discussed below were inherited from previous administrations. However, going forward, HRD needs to address these issues as they are all related to maintaining a proper internal control structure as discussed below. HRD

collects employee Training Requests,²⁹ Work Schedule Selection Forms and Performance Appraisals. All of these are used (or could be used) by HRD for its oversight of FLRA personnel. However, when we requested copies of these documents, only some of them could be provided.

Training Request Forms

We requested from HRD, employee training dates for all employees on flexible work schedules for the review period. During our discussions, HRD's Director said that they currently did "not have a filing retention system for training forms" and that they provided what they could from a file search. Also, that the Administrative Services Division might be able to retrieve employee training dates. However, since we were in the process of obtaining information from Supervisors, we requested that the supervisors provide the training information. Subsequently, we received approximately 52 training attendance requests from HRD³⁰ and we received approximately 69 training attendance dates from the supervisors. However, when comparing the lists of training dates (121 items after adjustment), we found only 16 that reflected the same training, or about 31% of the training forms HRD was able to provide. Although we suspect, we cannot say that the remainder of training dates (or a portion of the training dates) were erroneously not captured by HRD's training files because we do not know if the missing training items were not submitted (no cost items would not be submitted). Regardless, with a lack of a filing system for training requests, things are bound to be misplaced, and HRD needs to retain this information to fulfill its oversight responsibilities, including the compliance with training agreements.³¹

Performance Appraisals

We requested copies of 2017 and 2018 employees' performance appraisals that would show employees' performance ratings. HRD told us that they maintain the appraisals in the government's Electronic Official Personnel Folder (EOPF), but that the 2018 performance appraisals had not yet been scanned into the system and could not readily be provided. However, HRD did provide us a report that includes the employee's name and performance rating (the supervisor's name was not listed) for 2017 and 2018. In order to verify information on this report, we requested that HRD provide us 10 performance appraisals from 2017 that were stored in the EOPF system. However, HRD was only able to provide 6 of the requested appraisals, 1 person's EOPF had already been transferred to another agency, so 3 of 9 requested appraisals were not in the EOPF system for 2017, and none of the 2018 appraisals were in the system.

²⁹ This is the form, SF-182, Authorization, Agreement and Certification of Training.

³⁰ This was the number training requests received after removals were made for some of the HRD documents where dates were for the same training or for training of employees that did not earn credit hours within the review period.

³¹ 36 CFR § 1222.22 requires adequate and proper documentation and in part states that, documentation for people, places, things or matters dealt with by the agency, and documentation to allow for scrutiny by duly authorized agencies is needed. In addition, NARA's General Records Schedule 2.6: Employee Training, items 10-30, have record retention requirements ranging, mostly, from 3 to 6 years.

For oversight/control purposes, we believe that HRD needs to get performance appraisals in the system more quickly and ensure that none are missed. These documents need to be available should any issues arise that are impacted by an employee's performance rating. For example, contested separations and associated personnel or legal matters, or denied participation in FLRA's flexible workplace program or telework.

Work Schedule Selection Forms

We made a similar request as for performance appraisals, that HRD provide all Work Schedule Selection Forms. HRD's director responded that, "the majority of the forms... are maintained in the agency File Management System" but that "some [are] stored in email and some stored in individual HRD staff file folders." HRD tried to obtain the information from their file management system, but was unable to obtain the information due to its recent upgrade and because training had not yet been provided. Even had HRD been able to retrieve employees' schedule information from the system, we were told that it did not have all the information that was contained on the form. If the information does not contain the supervisor's name or the approval date, but only the employee's name and the schedule selected, it would be of limited use for us and perhaps for HRD uses. Since HRD was not able to retrieve the computerized work schedule information, HRD provided what they had in their files. HRD provided work schedules for 25 employees, but only 13 were for employees' earning credit hours, or information for about 19% of the 69 credit hour earning staff.

HRD's Director said, that one reason work schedule forms were not readily available was that the form is only updated for new employee arrivals or for changes in employee work schedules (meaning it could be years before an employee submits a new form, if ever). After discussion of the issue, HRD's director said, she realizes that the forms should be updated more frequently, and said that she was thinking to require that the form be updated annually. Since that discussion, the HRD Director has sent out an e-mail to FRLA personnel requesting all employees update their work schedules. We commend her quick attention to this matter.

Regarding the annual update of work schedule information, we have no disagreement that employees update their work schedule information annually. However, we believe that employees should also update their schedules with any new supervisor³² and for any change in work schedule, to ensure the supervisor agrees with the work schedule.³³ This provides documentation to show that a work schedule has officially been established, which is an OPM requirement for flexible work schedules.³⁴ In addition, we noticed that

³² This would include a temporary change in supervisors. For example, a detailed employee; assuming no scheduling issues with the supervisor, the employee could provide the existing work schedule form to the new supervisor for their signature and resubmit the form to HRD.

³³ The AWS policy currently specifies that employees can expect to maintain their AWS schedule when on temporary duty (we take this to mean that a new Work Schedule Selection Forms will not be needed/required, which supplements HRD's explanation for the lack of completed work schedule forms).

³⁴ "Flexible work schedules are voluntary work schedules that are approved by supervisors or managers." OPM, "Pay & Leave Pay Work Schedules, Fact Sheet: Flexible Work Schedules," <https://www.opm.gov/policy-data-oversight/pay-leave/work-schedules/fact-sheets/alternative-flexible-work-schedules/>.

some employees were being re-assigned frequently and some for extended periods of time. Some detailees were re-detailed to the same post, or assigned to their initial detail later as a permanent assignment. Multiple postings to the same position could easily lead to non-compliance with providing a work schedule to the permanent supervisor, as was evidenced by the lack of Work Schedule Selection Forms provided by HRD.

Lacking Work Schedule Selection Forms, and reports of such employees' work schedules from the computerized file management system, we tried to obtain schedule information from WebTA. However, in WebTA we found that both employees on a Gliding Schedule and Variable Work Day Schedule, were coded as Maxiflex.³⁵ Resultantly, HRD informed us that there is no way to differentiate between the two groups other than to scrutinize their timesheets.

HRD and other users and reviewers of WebTA need to be able to determine: the type of work schedule established for an employee, i.e., gliding, variable day, etc...; that it is the correct work schedule; whether the accompanying default schedule for data entry was properly setup; and whether the schedule is being followed, or if a different schedule is needed. HRD has to address these needs as it has been assigned responsibility in the AWS Policy, to provide, "advice, assistance, and guidance... [for] AWS program administration." In addition, HRD maintains the WebTA program. Without appropriate documentation supporting the recording of work schedules in WebTA, this oversight cannot be properly effectuated. Because of frequent movements of FLRA personnel to different offices, and other personnel actions (discussed below, under the WebTA Certifications section), we believe that HRD should minimally retain both the current and previous versions of each employee's Work Schedule Selection Form. This provides support that a work schedule had been officially established with the supervisor as required by OPM, and the documentation needed for the purposes and reviews described in footnote 31. See 36 CFR § 1222.22.

WebTA Time Certifications

During our review to determine the propriety of credit hours earned, we looked to see if WebTA certifications of time worked were made by the employees' supervisors. However, when we tried to determine an employee's supervisor, we had difficulty making that determination because the certifying supervisor was often different for different pay periods,³⁶ and key documents, as discussed above, e.g., performance appraisals, work schedule selection forms, and training reports, etc... were not retained. In addition, WebTA could not generate a list of past supervisory assignments, and no lists of past supervisory assignments was retained by HRD. HRD's Director tried to assist us and provided staffing reports that helped us make inferences about supervisory responsibility by showing the office where an employee was assigned, but the report did not list the employee's supervisor. Also, HRD provided a report of personnel actions, which included

³⁵ Maxiflex is a type of FWS that is different from a Gliding Schedule and from a Variable Day Work Schedule. See the definitions in the background section of this report.

³⁶ Different certifying supervisors were the result of employee transfers, details, substitute certifications by non-direct supervisor (or other personnel) and separations.

actions internal to FLRA, but again this listed employees' assigned offices and not the assigned supervisor.

As mentioned in the preceding paragraph, we noted a significant number of employees whose work time was not being reviewed and approved, i.e., certified, by their direct supervisor (or a supervisor who is knowledgeable about what time and work was performed), or for which it was not possible to determine the employee's direct supervisor. For instance, out of the 13 work schedule forms³⁷ provided for credit hour earning employees, only 6 listed the same supervisor as did the list of supervisor assignments produced from WebTA. Other instances showing that time was not certified by employees' direct supervisors, were some of the timesheet certifications made by the Executive Director. The Executive Director certified timesheets for 5 staff for which he does not provide direct supervision and who are not SES level employees (or Presidential Appointees). For these employees, he would have little or no knowledge of what their work requirements were or their need to work credit hours.

WebTA timesheet certification is normally done by a supervisor/manager, who at FLRA attests to the following, "I certify the time worked and leave taken as recorded on this form is true and correct to the best of my knowledge and belief." GAO, in a report discussing internal control for time and attendance, stated, "timekeepers and supervisors must be aware of the work time or absence of employees for whom they are responsible to ensure the reliability of T&A data"...." and "... T&A approvals must be such that management knows that supervisors or other officials are accountable for approvals of employees' work-time and absences," to "help ensure that accurate T&A information is recorded and reported for the purposes of computing pay and allowances."³⁸ Accordingly, management needs to review its WebTA certification practices, and to the extent possible ensure that direct supervisors are the individuals certifying time in WebTA. The supervisor should be knowledgeable about the hours worked by the employees and that credit hours earned were for necessary work. In addition, to allow for monitoring and later review of WebTA certifications, HRD should maintain reports of all certifications and related reports showing the supervisor (or other manager knowledgeable about the employee's activities and work) for each employee, each pay period.³⁹

Recommendations:

To improve the oversight capabilities and documentation within HRD, we recommend that the Director of the Human Resources Division:

14. Maintain and retain files of training request forms as prescribed by NARA, and minimally retain the last 2 Work Schedule Selection Forms for each employee.
15. Prioritize HRD work appropriately, to ensure performance appraisals are scanned into the EOPF system within 90 days following the appraisal due date and establish a process to verify that all performance appraisals have been entered into the system.

³⁷ These were the only forms HRD could produce out of a total of 69 employees that earned credit hours.

³⁸ General Accounting Office. (March 1996), "Revisions to Title 6 on Pay, Leave, and Allowances,"

³⁹ See footnote 31 regarding maintenance of documents, 36 CFR § 1222.22. We believe these documents should be retained for at least 2 years to allow for review activities.

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16. Establish an appropriate and unique category of Work Schedule, e.g., fixed tour, gliding variable week, etc..., in WebTA to correspond with the work schedule selected by each employee.
 17. In consultation with the FLRA's Executive Director, develop and maintain a list of supervisors showing assigned subordinates for which the supervisor has direct knowledge of each employee's biweekly work time and work projects, with this information being used to direct the assignment of supervisors for the certification of employee timesheets in WebTA; and with this list, and a list of WebTA certifications being retained for a minimum of 2 years.

Management's Response

Management concurs with the recommendations and agrees to work with us on addressing and resolving them.

OIG Comment

We appreciate management's agreement to resolve these recommendations. See the full text of management's response in Appendix 2.

Appendix 1: Objectives, Scope, and Methodology

The objectives of the management advisory review were to determine if the FLRA's policies, controls, and processes for the earning of credit hours and premium pay were being properly administered and conformed to government requirements.⁴⁰

Our management advisory review was conducted at FLRA's offices in Washington, DC during the period from June 18, 2019 through October 18, 2019 and encompassed activity from October 1, 2017 through May 25, 2019.

The work started with preliminary background research to determine why and how differing work schedules came about, what Federal requirements were in effect (primarily congressional legislation, and OPM rules and guidance), and what other OIGs had found out about their agencies' management of flexible work schedule programs/credit hour programs and how FLRA managed its flexible work schedule programs. Also, we contacted the Director of the Human Resources Division (HRD) and began requesting information for the period covered by the review to determine information availability and to assist in developing a methodology.

After our preliminary work, we corresponded with FLRA's Executive Director to notify him of the start of the review and of the review's objectives, scope and methodology. We also responded to any question that was received. In addition, at about this time, notifications along with requests for information were sent out to all supervisors, approximately 20, that were listed on the most current time and attendance print out of "Supervisory Assignments."

As the review progressed, we continued to solicit the Director of the HRD for the information previously requested. Our requests included: a premium pay earning's report for: credit hours, Compensatory Time Off, and for all premium pay categories; and that the report include running balances. Also, that it should include any employee remarks and approver comments. Beginning and ending credit hour balances (and Compensatory Time Off balances) were also requested. Additional requests were later made of HRD for supervisory information, work schedules, training dates, and performance appraisals.

The supervisors' listing provided in response to our request for supervisory information was a "snapshot" of supervisory activity obtained from WebTA. HRD said the report was based upon WebTA time and attendance certifications made on June 21, 2019, and so this list did not necessarily show the employee's actual supervisor. However, the Certifiers listed were contacted by email and requests were made of them to provide employee information. The requests pertained to any employee on a flexible work schedule; and included the following: time logs, training dates, and pre-approvals for credit hours and premium pay, and any related documentation. We spoke and corresponded with one employee on several occasions concerning her time logs and with several different supervisors pertaining to our request for information. Also, we met with HRD's Director on different occasions concerning our requests for information and to gain feedback concerning potential issues we had identified. In addition,

⁴⁰ Note the original and primary scope of the review remain unchanged, but there was an expansion to include any policy issues that were noted during the review, and to look at all employees that posted to the office time log provided.

we had several phone discussions and corresponded with her concerning the aforementioned items.

Most of the reports received from HRD were manipulated or reformatted by us during the review to make the information more usable. Through our manipulations and reformatting (and WebTA and calendar lookups), we were able to determine the dates credit hours and Compensatory Time Off hours were earned, who earned them, how many were earned and the balances for these hours at each month end, as needed. Also, we made educated guesses as to the responsible/direct supervisor for most employees by sampling WebTA signoffs for different pay periods for credit hour earning employees and compared those to the Monthly Staffing Reports provided by HRD. Based on the information above, we created a new spreadsheet to try and better determine or confirm employee supervisors, which also utilized a modified report of personnel actions (provided by HRD) that was used to track employee movements among different offices, and employee hirings and separations. The supervisory information was going to be used to try and determine patterns and or abuses of credit hour earning oversight but it did not appear to be useful for this purpose.

Work schedules, training forms, and performance appraisals were not provided in their entirety from HRD but we utilized what data was available, including the training information provided by supervisors,⁴¹ to make determinations of policy non-compliance issues to the extent possible, and of other issues that we observed. We also used the only office time log provided by managers to make comparisons to policy requirements and to WebTA for purposes of determining exception numbers and compliance percentages. For most of the items reviewed, and for additional testing information and limitations, and results, see the “Results of Review” section of this report.

Items not included in the “Results of Review” section because of their lack of significance include: testing for credit hour earning limits; 2 hours per day/20 hours per pay period, the maximum per pay period carryover of 24 hours, and testing to determine if FLRA personnel were adhering to the requirement that only employees rated “fully successful” or better were participating in the AWS program. For the 2 hour/20 hour limit, we sampled 172 items as described in footnote 28.

For the performance appraisal review methodology and limitations on availability, see the “Results of Review” section of this report under, “Matters Involving the Human Resources Division.” Other items involving the review of performance appraisals were the following: we originally misunderstood or were misinformed as to the availability of these documents (that they were not available). In response to comments received from the review report’s discussion draft as to their availability in the EOPF system, we followed up and requested 10 performance appraisals from 2017 (2018 was not readily available). We then tested the performance ratings report provided by HRD (discussed in the “Review of Results”) by checking the 6 performance ratings against the report. The report was used to verify compliance with FLRA’s policy, that no

⁴¹ Training date information was provided by supervisors and HRD and used to attempt to determine if credit hours were earned on training days. We also compared supervisor training dates to HRD training dates to try determine if HRD was retaining all training information for purposes of oversight.

employee participates in a flexible work schedule and earns credit hours with a performance rating of less than, “fully successful.”

In addition, as part of our early work, we considered how fraud might occur, the controls in place to combat fraud, and what we might look at during the review. During the review we did make a note of control weaknesses that are discussed in the report.

Also, we used our preliminary background research into legislation and regulation mentioned earlier, to determine through comparison, if FLRA’s policies were compliant with those requirements. We also reviewed FLRA’s AWS policies for other matters that seemed questionable.

All relevant information from the AWS compliance review of staff activities and FLRA policy compliance with OPM requirements (and other requirements) were summarized and interrelated to the review, as needed. The audit report was initially drafted based upon our audit work, and then a revised draft and final report were issued based upon our discussions and correspondence with management concerning the review’s findings and recommendations.

Appendix 2: Management Response



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OFFICE OF THE EXECUTIVE DIRECTOR

MEMORANDUM

TO: Dana Rooney
Inspector General

FROM: Michael Jeffries
Executive Director

DATE: February 25, 2020

RE: OIG Management Advisory Review Report of Credit Hours and Premium Pay

Thank you for the opportunity to review the Draft Management Advisory Review Report of Credit Hours and Premium Pay. The FLRA has reviewed the recommendations and agree with them.

We look forward to continuing to work with you on addressing and resolving any outstanding matters. Paula Chandler, Director of Human Resources Division, will be the point of contact for the implementation process.

Appendix 3: Distribution

Federal Labor Relations Authority

Ernest DuBester, Member

James Abbott, Member

Michael Jeffries, Executive Director

Paula Chandler, Director Human Resource Division

CONTACTING THE OFFICE OF INSPECTOR GENERAL

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CALL: (202)218-7970 FAX: (202)343-1072
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D.C. 20424

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Office of Inspector General

Management Advisory Review of
Credit Hours and Premium Pay