



Thirty-six years – promoting and protecting labor-management relations for effective, efficient government.

**U.S. FEDERAL LABOR RELATIONS AUTHORITY
CONGRESSIONAL BUDGET JUSTIFICATION**

Decisions of the
FEDERAL
LABOR
RELATIONS
AUTHORITY

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**UNITED STATES
FEDERAL LABOR RELATIONS AUTHORITY**



**Congressional Budget Justification
Fiscal Year 2016**

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U.S. FEDERAL LABOR RELATIONS AUTHORITY

BACKGROUND AND MISSION

The U.S. Federal Labor Relations Authority (FLRA) is responsible for establishing policies and guidance regarding the labor-management-relations program for 2.1 million non-Postal, federal employees worldwide, approximately 1.2 million of whom are represented in 2,200 bargaining units. The FLRA was created by Title VII of the Civil Service Reform Act of 1978, also known as the Federal Service Labor-Management Relations Statute (the Statute). The agency's genesis dates from the issuance of Executive Order 10988 by President Kennedy in 1962. In 2012, the FLRA celebrated the 50th anniversary of the Order, which established the first government-wide, labor-management-relations program within the federal government. In 1970, President Nixon established the Federal Labor Relations Council, by Executive Order 11491, to administer the federal labor-management-relations program and to make final decisions on policy questions and major disputes arising under Executive Order 10988. Executive Order 11491, as amended, was the basis for President Carter's proposal to Congress to create the FLRA as an independent agency.

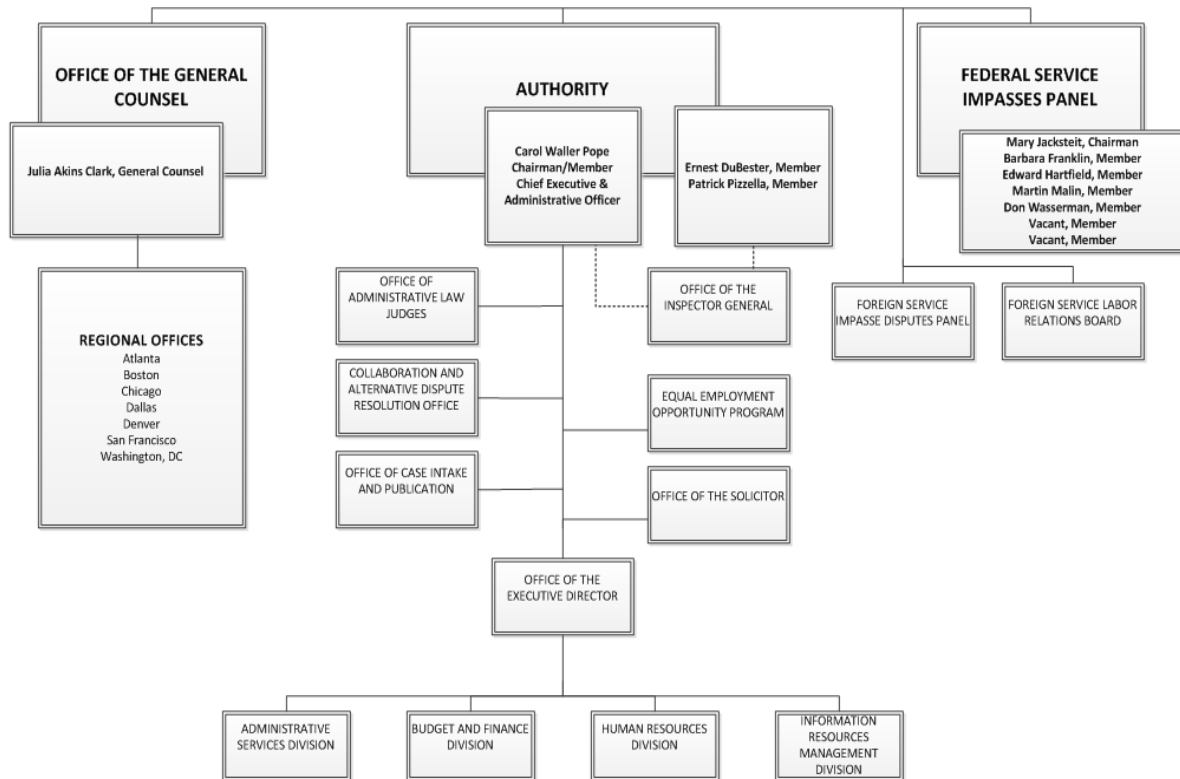
The Statute protects the rights of federal employees to form, join, or assist a labor organization, or to refrain from such activity, freely and without fear of penalty or reprisal. These rights include acting for a labor organization as a representative and, in that capacity, presenting the views of the organization. Employees also have the right to engage in collective bargaining with respect to conditions of employment through representatives chosen by the employees.

The mission of the FLRA is to promote stable, constructive labor-management relations in the federal government by resolving and assisting in the prevention of labor-management disputes in a manner that gives full effect to the collective-bargaining rights of employees, unions, and agencies. Although the FLRA is a small agency, accomplishing its mission – including timely and quality resolution of labor-management disputes – is essential for program performance government-wide. If a labor-management dispute remains unresolved for too long, then mission accomplishment at the affected agencies likely will suffer.

ORGANIZATIONAL STRUCTURE

The FLRA consists of the Authority, the Office of the General Counsel, and the Federal Service Impasses Panel. The agency also provides full staff support to two other organizations, the Foreign Service Impasse Disputes Panel and the Foreign Service Labor Relations Board.

U.S. FEDERAL LABOR RELATIONS AUTHORITY



The Authority

The Authority is composed of three full-time Members appointed by the President with the advice and consent of the Senate. The Members are appointed for fixed, five-year, staggered terms, and one Member is designated by the President to serve as Chairman. The Chairman acts as the agency’s chief executive and administrative officer. The Authority is empowered to: resolve disputes over the negotiability of proposals made in collective bargaining; decide whether conduct alleged in a complaint constitutes an unfair labor practice (ULP); resolve exceptions to grievance-arbitration awards; and review decisions of Regional Directors in representation disputes over union elections and unit determinations.

The Authority Members appoint Administrative Law Judges (ALJs) to hear and prepare recommended decisions in cases involving ULP complaints, as well as decisions involving applications for attorney fees filed pursuant to the Back Pay Act or the Equal Access to Justice Act. The Office of Administrative Law Judges (OALJ) also provides settlement opportunities in all ULP cases. Decisions of the ALJs may be appealed to the Authority.

The Office of the Solicitor represents the FLRA in court proceedings before all United States courts, including the U.S. Supreme Court, the U.S. Courts of Appeals, and the Federal District Courts. In this connection, parties aggrieved by certain Authority orders may institute an action

for judicial review within 60 days after the order issues. The Authority may also seek enforcement of its orders, temporary relief, or restraining orders in the appropriate U.S. Courts of Appeals or Federal District Courts. The Office of the Solicitor also serves as the agency's in-house counsel, providing legal advice to all FLRA components, and performs various functions under the Freedom of Information Act and the Privacy Act. The Solicitor also serves as the Designated Agency Ethics Official.

The Office of the General Counsel

The General Counsel, who is appointed by the President with the advice and consent of the Senate, has separate and independent responsibilities from the Authority. Under the Statute, the General Counsel has sole responsibility – independent of the Authority – over the investigation and prosecution of ULP cases. The General Counsel's determinations in these matters are final and unreviewable. The General Counsel has direct authority over, and responsibility for, all employees in the Office of the General Counsel (OGC), including those in the FLRA's Regional Offices (the field). Approximately 50 percent of the FLRA's staff is employed in the field, where all ULP charges and representation petitions are filed. The Regional Offices, on behalf of the General Counsel, investigate and resolve alleged ULPs, file and prosecute ULP complaints, effectuate compliance with settlement agreements and Authority Orders, and provide training and alternative dispute resolution (ADR) services. In addition, through delegation by the Authority, the Regional Offices investigate and resolve representation cases and conduct secret-ballot elections.

The General Counsel has a small staff at FLRA Headquarters, located in Washington, D.C. Headquarters management provides administrative oversight; develops policies, guidance, procedures, and manuals that provide programmatic direction for the Regional Offices and training and education for the parties; and processes appeals from the Regional Offices' dismissals of ULP charges. Each Regional Office is headed by a Regional Director who provides leadership and management expertise for the respective region.

Atlanta Regional
Office

Boston Regional
Office

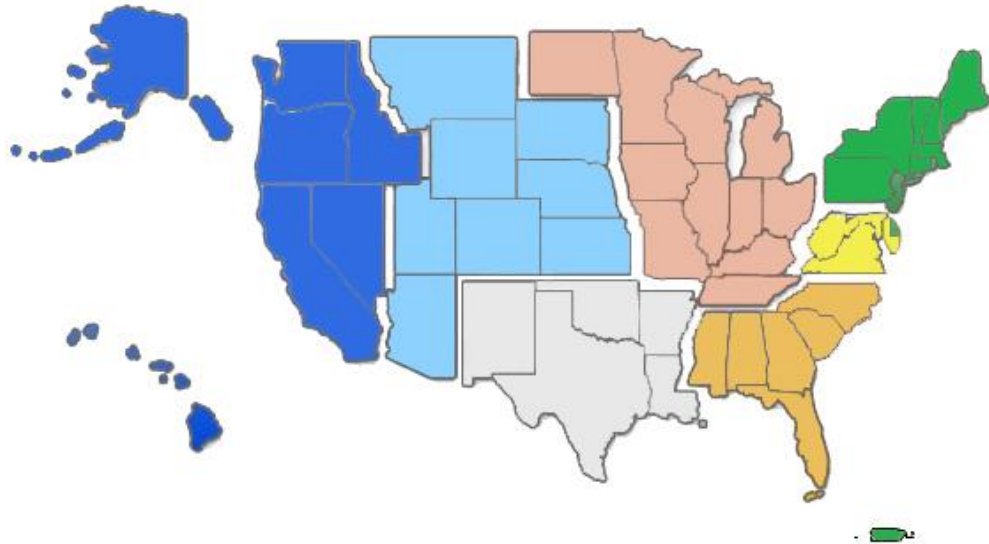
Chicago Regional
Office

Dallas Regional
Office

Denver Regional
Office

San Francisco
Regional Office

Washington DC
Regional Office



The Federal Service Impasses Panel

The Federal Service Impasses Panel (FSIP or the Panel) resolves impasses, between federal agencies and unions representing federal employees, arising from negotiations over conditions of employment under the Statute and the Federal Employees Flexible and Compressed Work Schedules Act. The Chairman and six other Members of the Panel are appointed by the President for five-year terms. If bargaining between the parties, followed by mediation assistance, does not result in a voluntary agreement, then either party or the parties, jointly, may request the FSIP's assistance.

Following a preliminary investigation by its staff, the Panel may determine to assert jurisdiction over the request. If jurisdiction is asserted, then the FSIP has the authority to recommend or direct the use of various ADR procedures. These include informal conferences, additional mediation, fact-finding, written submissions, and mediation-arbitration by Panel Members, the Panel's staff, or private arbitrators. If the parties are still unable to reach a voluntary settlement, then the FSIP may take whatever action it deems necessary to resolve the dispute, including imposition of contract terms through a final action. The merits of the FSIP's decision may not be appealed to any court.

AGENCY TRENDS AND CHALLENGES

The FLRA's mission is to promptly and fairly resolve disputes that are voluntarily filed under the Statute by agencies, labor organizations, and individuals. Accomplishing its mission in an effective and efficient manner is key to enabling the federal government, as a whole, to adapt to changing circumstances, as necessary, to continue delivering the highest quality services to the American public, consistent with President Obama's management agenda to deliver a smarter, more innovative, and more accountable government.

For the past two fiscal years, the FLRA has been faced with significant obstacles to overcome in meeting its mission requirements. In FY 2013, the agency experienced a wave of employee retirements, but was unable to backfill the positions due to sequestration, leaving well over ten percent of its workforce vacant to start FY 2014. Further, the Authority lacked a quorum of Members necessary to issue decisions from January 2013 until November 2013, resulting in a backlog of Authority cases awaiting decision when the quorum was re-established. But, in large part, those obstacles were overcome. Although the backlog in the Authority component has not been eliminated, the Authority is committed to doing so by the end of FY 2015, and has implemented a case-issuance strategy (an action plan) to accomplish this.

With respect to its mission accomplishments, the FLRA continued its significant improvement over the last five and a half years in providing customers with timely and quality dispute-resolution services. As a result of a comprehensive review of arbitration case processing, the Authority implemented regulatory changes in FY 2010 involving those cases. The changes were necessary to reduce the number of procedural deficiencies in the parties' filings, and to clarify for its customers the grounds for the Authority's review and the applicable legal standards. Along with the regulatory changes, the Authority developed a *Guide to Arbitration Under the Statute*, which it has continued to update annually, as well as a comprehensive, arbitration-training program, which the Authority has delivered on an ongoing basis. There have been real performance-improvement outcomes from these initiatives. Arbitration cases are now processed and resolved more expeditiously. And continuing to update the guide and the training materials are expected to yield dividends far into the future. In addition to arbitration, in FY 2013, the Authority developed a *Guide to Negotiability Under the Statute*, and an accompanying, comprehensive, negotiability-training program, which it has delivered on an ongoing basis. As with the arbitration initiatives, the development of the guide and the provision of training have yielded real performance-improvement outcomes – the parties are better educated about the Authority's negotiability law and case-processing requirements, which has resulted in a reduction in procedurally deficient filings and higher-quality better-drafted briefs – which should enable the Authority to more expeditiously process those cases.

The OGC's performance during FY 2014 was very successful, marked by increases in productivity along with overall improvements in the timely resolution of cases. Despite an increase in case filings, the OGC exceeded its mission-critical performance targets for the timely resolution of ULP and representation cases and resolved six percent more cases than in FY 2013. The OGC closed over 4,800 ULP and 250 representation cases, conducted 52 representation elections, and held more than 30 ULP and representation hearings.

The OGC has expanded its use of ADR techniques and services to resolve cases. This is particularly important as the OGC has the largest case intake among all of the FLRA components (handling over three quarters of the FLRA's total case intake) and is the FLRA component with which the parties have the most contact. The beneficial effects of voluntary ULP settlements and representation agreements are obvious and are aggressively pursued by the OGC.

In FY 2014, the parties informally resolved over 1,100 ULP cases during the investigative process. In addition, the OGC resolved 94 percent of the cases in which merit was found without

the need for formal litigation. These successful voluntary ADR efforts resulted in significant savings of governmental staff and budgetary resources. For example, in May and June of 2014, the OGC received several ULP charges concerning an agency's termination of alternative work schedules (AWS) at several of its facilities. These cases involved employees in several states and raised the prospect of time-consuming and expensive litigation if not resolved. Early on in the investigative process, the OGC offered the parties the opportunity to explore resolution of the cases through use of ADR. The parties accepted, and after working closely with the OGC for a few days, they reached a full resolution of the cases. The settlement provided for restoration of the AWS, and provided the parties with a framework for handling AWS issues that arise in the future. By using ADR to resolve these cases early on in the process, the OGC saved the parties time and money, and gave them a framework to resolve future related disputes on their own.

The OALJ also continued to resolve cases in FY 2014 at an improved pace. In response to a backlog of cases awaiting decision, the agency reallocated resources, through details and temporary hires, to the OALJ to assist in resolving those cases more expeditiously. With over 1,000 new cases on its docket in the last four years, the OALJ has successfully resolved cases without the need for costly litigation involving a hearing or written decision through use of the OALJ Settlement Judge Program – without the need for a hearing. In FY 2014, in over 95 percent of cases in which the parties participated in the Settlement Judge Program, they reached agreement and fully resolved their dispute. This is real evidence that the delivery of ADR services at all stages of case processing results in more effective and efficient program performance for the FLRA, as well as the timely resolution of disputes for its customers. As a result, the OALJ has seen a decrease in demand for hearings even though the number of complaints remains high, exceeding 250 again in FY 2014. To reduce the need for final written decisions, the ALJs are encouraging the parties to request a bench decision when the matter is not settled prior to hearing, and a bench decision is appropriate under the facts of the case.

With respect to the FSIP, as an example of the FLRA's important mission, in FY 2014, that component received 40 unexpected requests for assistance concerning bargaining over the impact and implementation of agency decisions to furlough employees during the shutdown to start the year. The FSIP prioritized disposition of those furlough-related cases – while maintaining timeliness in regard to the processing of non-furlough cases – using dispute-resolution procedures that maximized the possibility of voluntary settlements, rather than imposing contract terms. In turn, the Panel continued to obtain a high rate of voluntary settlement, consistent with the FSIP's guiding philosophy that the voluntary settlement of bargaining impasses using mediation-arbitration techniques is the most effective and efficient form of dispute resolution. In this regard, in cases where mediation-arbitration was used to resolve federal-sector impasses, the Panel obtained complete voluntary settlements 60 percent of the time.

The FSIP also continued to prioritize case processing to ensure that disruption to government operations and costs to taxpayers were minimized. Among the most significant examples of this prioritization were two impasses that arose as a result of Administration initiatives requiring agencies to ensure that their total square footage remains at their FY 2012 baseline levels and to dispose of excess properties. In this regard, the Department of Health and Human Services decided to relocate approximately 160 bargaining-unit employees in its Denver Regional Office,

represented by the National Treasury Employees Union, to a more energy-efficient office, reducing space by 20 percent. Similarly, the Department of Housing and Urban Development decided to relocate approximately 200 bargaining-unit employees in its San Francisco Regional Office, represented by the National Federation of Federal Employees. Requests for FSIP assistance were filed in both cases requiring quick resolution of the parties' impasses if the agencies involved were to avoid the costs of having to pay rent in two locations. The FSIP conducted mediation-arbitration proceedings at the sites of the disputes. When the parties were unable to reach voluntary settlements, arbitration awards were issued that prevented unnecessary taxpayer expenditures.

In addition, the Collaboration and Alternative Dispute Resolution Office (CADRO) continues to help parties resolve significant disputes in cases pending before the Authority. The CADRO also delivers "prevention" services, teaching parties techniques for effectively resolving labor-management issues on their own, without needing third-party involvement. These types of services have helped the parties develop constructive workplace relationships that promote better mission performance, as well as quality of work life – real evidence that the program works. In fact, 96 percent of CADRO cases in FY 2014 resulted in full resolution of the underlying dispute and closure of the pending case. The parties report that these ADR services improve their ability to resolve important problems, make critical decisions, and develop a more successful problem-solving relationship. Moreover, CADRO initiatives serve the dual purpose of preventing unnecessary litigation before the FLRA and making case processing more effective and efficient.

Noteworthy CADRO cases in FY 2014 include a negotiability petition in which an agency proposed to consolidate and reorganize offices nationwide, potentially displacing – or terminating – more than 700 employees. The CADRO worked with two national unions and two separate agency bargaining teams to completely resolve all negotiability disputes, plus all of the underlying bargaining impasses. As a result, the agency has already begun implementing the consolidation with the resulting efficiencies, cost savings, and expected improvement in mission performance. And, in an arbitration-exception case, the embattled parties entered the CADRO process with a six-figure back-pay and attorney-fees dispute that had raged for years before it reached the FLRA. Highly competent counsel, who had the capacity to engage in protracted litigation, represented both parties. But, knowing the costs and the risks to both parties if they continued their litigation strategies, counsel found the CADRO process to be a safe alternative. The parties eventually achieved a complete settlement and ended that costly chapter in their shared history.

Two additional FY 2014 cases exemplify the value of CADRO training and facilitation services. The Air Force and the American Federation of Government Employees (AFGE) jointly asked the CADRO to continue its efforts to address their joint concerns, including preserving tens of thousands of federal and private jobs at and around the largest industrial complex in the State of Georgia. Following dozens of hours of remote planning, support, and preparation, the CADRO led a joint FLRA-Federal Mediation and Conciliation Service (FMCS) team that trained top management and union leaders at Robins Air Force Base to collaboratively lead this vital initiative. The CADRO then led the development of a multi-year action plan to implement the fundamentals of a military support enterprise. In the other case, the AFGE and management at the Department of Homeland Security's Immigration and Customs Enforcement (ICE) jointly

requested CADRO assistance to help them begin addressing mission-critical, labor-management issues from coast to coast. Following joint planning and preparation sessions, the CADRO facilitated a day-long gathering of more than 40 high-level managers and corresponding union officials from every sector of ICE operations. Long-term efforts must continue in order to make a lasting impact, but CADRO's involvement enabled the parties to get off to a very strong start.

FY 2014 was also the first complete year that the CADRO conducted, under the auspices of the Chief ALJ, settlement activities in ULP cases pending with the OALJ, in addition to the CADRO's ongoing intervention in negotiability and arbitration cases pending in the Authority. In doing so, CADRO resolved over 95 percent of ULP complaints in which the parties chose to avail themselves of ADR services under the OALJ Settlement Judge Program. In one of these cases, a party refused to execute terms of a collective-bargaining agreement directed by the FSIP, leading to a charge filed by the other party and a complaint issued by the OGC. Working through the Settlement Judge Program, it became apparent that the refusal resulted from lack of understanding about what the Statute requires under such circumstances. The settlement conference served as an example of how such forums can be used to educate the parties as to their respective obligations, in addition to obtaining immediate, cost-effective compliance with the Statute.

Further, the FLRA continued to provide training to members of the labor-management community – union representatives, agency representatives, and neutrals – in all aspects of its law and case processes. The FLRA, as a whole, provided 225 separate training sessions to over 5,100 participants.

The Authority provided training at several conferences, including the Federal Dispute Resolution and the Society of Federal Labor and Employee Relations Professionals Conferences, and an arbitration workshop sponsored by the National Academy of Arbitrators and the FMCS. These sessions included presentations of newly-prepared materials of current relevance, as well as updated materials for more standard sessions. In addition, the Authority sponsored its own training programs, including several, full-day sessions of comprehensive negotiability training and comprehensive arbitration training. In particular, because negotiability cases have the highest rate of procedural dismissals of any type of case filed with the Authority, the negotiability training is intended to meet the goals of helping the parties to: comply with the Authority's regulatory procedural requirements (thus reducing case-processing time); file their cases in a different, appropriate forum when necessary; and use ADR. Feedback received from participants in these sessions indicates that these trainings produced the desired results and will further the above goals in future cases.

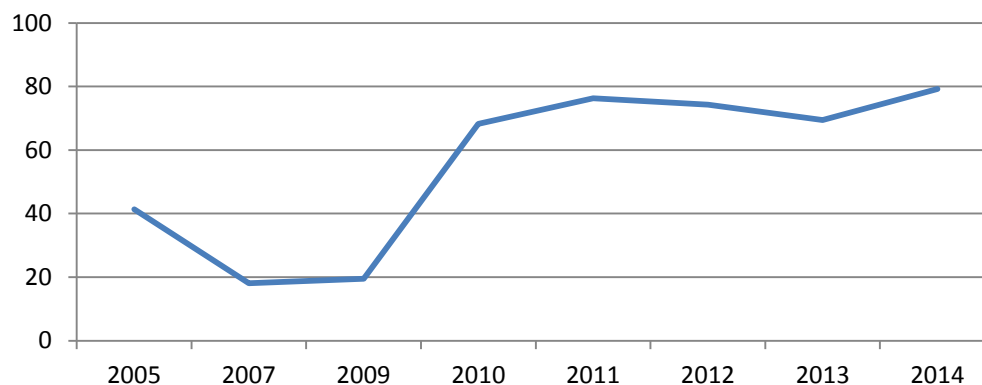
The OGC focuses its training efforts on the parties at the local level where the work is performed and the labor-relations issues arise. By bringing its training services directly to the parties, the OGC educates local management and labor representatives on their rights and responsibilities under the Statute, thereby empowering them to more effectively and efficiently avoid – and if necessary, resolve – workplace disputes at the lowest level. The OGC's training initiative is intended to make case processing more effective and efficient and to better serve the parties by providing meaningful and clear guidance on statutory rights and responsibilities. Ensuring that OGC customers are knowledgeable about their rights and obligations under the Statute, as well

as FLRA case law, regulations, and case-processing procedures furthers timely and efficient case processing.

Further, the FLRA supports the National Council on Federal Labor-Management Relations (the National Council) by training practitioners and labor-management-forum participants pursuant to Executive Order 13522, *Creating Labor-Management Forums to Improve Delivery of Government Services*. Such training includes critical process skills, such as communications and consensus decision making, guidance on rights and responsibilities under the Statute, as well as FLRA case law, regulations, and case-processing procedures. The FLRA’s training, facilitation, and support of the National Council remain critical to the implementation and ongoing success of the Order. When appropriate, the FLRA – primarily through the CADRO and the OGC – partners with other agencies, such as the FMCS, to train practitioners and support labor-management forums.

In 2014, the FLRA captured the rank of #5 in the Partnership for Public Service’s *2014 Best Places to Work in the Federal Government* rankings – up from #8 in 2013 with a remarkable 9.5 point increase in its index score! This is an extraordinary accomplishment reflecting a dramatic and unprecedented improvement of over 300 percent since 2009 – the year in which the FLRA placed last in the survey. And it reflects the on-going and undying commitment of agency leadership at all levels to improving employee satisfaction and morale. This commitment, which began in 2009, resulted first in the FLRA being named the *2010 Most Improved Small Agency* by the Partnership for Public Service. Building on that success in 2011, the agency once again placed among the top of the most improved small agencies, and in 2012 and 2013, it captured the #7 and #8 small-agency rankings, respectively. Most notable for 2014 were the FLRA’s rankings for certain *Best In Class* categories: #1 in Effective Leadership - Leaders, Pay, and Strategic Management; #2 in Overall Effective Leadership and Training & Development; and #3 in Effective Leadership - Supervisors; Teamwork; and Performance-Based Rewards & Advancement.

Best Places to Work Score



Empowering employees is a key component of effective leadership, and, in 2013, the FLRA was recognized by the Partnership’s *Federal Leadership Snapshot* as the #3 small agency for its effective leadership in the federal government. The agency’s 2013 score of 70 far exceeded the government-wide average of 53. The FLRA was also noted as the #2 small agency in terms of

leadership communication, with a 2013 score of 74 compared to the government-wide average of 50. Effective leadership is not only important for directing an organization's operations and motivating its workforce, but also in guiding an organization through tough decisions about how to meet increased demand for services in a constrained resource environment. Most importantly, effective communication from organizational leaders is necessary to establish a transparent, positive work environment. The FLRA's leadership has played a pivotal role in advancing the agency's mission results, increasing program effectiveness and efficiency, and motivating employees.

In 2014, the FLRA also continued its success in the *Federal Employee Viewpoint Survey*, with an employee response rate of 83 percent – significantly higher than the government-wide average of 47 percent. The FLRA's 2014 positive ratings increased from 2013 in 61 items. And the FLRA's Human Capital Assessment and Accountability Framework index scores increased in every category – by as much as seven percent over 2013. Specifically, the agency scored 78 percent in "Leadership and Knowledge Management," 71 percent in "Results-Oriented Performance Culture," 79 percent in "Talent Management," and 75 percent in "Job Satisfaction" – exceeding the government-wide average in each. These responses reflect the FLRA's progress toward meeting government-wide human capital objectives and the relationship to organizational performance. And, consistent with an agency-wide focus on targeting challenges identified in the survey, the FLRA addresses areas of weakness or concern in full collaboration with employees at all levels through its own Labor-Management Forum. As an example, the FLRA placed special emphasis in FY 2014 on strengthening supervisory skills and improving the supervisor-employee relationship, especially as it relates to giving and receiving feedback on performance.

The FLRA's dramatic and sustained improvement over the last five and a half years reflects the commitment of leadership – at all levels and throughout the agency – to manage the agency with transparency and accountability and to engage employees. It also demonstrates the commitment and dedication of FLRA employees. Consistent with the agency's significant increase in employee morale and satisfaction since 2009 has been a marked improvement in the FLRA's mission performance and the delivery of services to its customers.

ANNUAL PERFORMANCE PLAN

STRATEGIC AND PERFORMANCE-PLANNING FRAMEWORK

Over the last several years, through a comprehensive review – by agency leadership and the Union of Authority Employees, the employees’ representative organization – of its operations, staffing, work processes, resource allocations, and performance, the FLRA has established strategies and goals that are designed to maximize the delivery of agency services throughout the federal government. The FLRA has engaged in a continuous assessment of performance and other data to ensure that it is accomplishing its mission, effectively and efficiently, and that it is promoting innovation throughout the agency.

The FLRA’s performance-planning framework is based on the agency’s FY 2010 - 2015 Strategic Plan, which is now in the process of revision, and is supported by the Annual Performance Plan, which establishes the agency’s annual performance goals. The Annual Performance Plan reflects the FLRA’s commitment to establishing meaningful measures that will assist in assessing performance outcomes, aligning resources, and effectively identifying staffing and training needs. The Annual Performance Plan also demonstrates the FLRA’s ongoing commitment to organizational excellence.

Consistent with the government-wide initiative to leverage existing data to facilitate agencies’ programmatic work and enhance the value of data, the FLRA strategically monitors its progress in accomplishing the goals and measures set forth in the Annual Performance Plan. This ongoing, agency-wide review is conducted on a monthly basis with distribution of the Monthly Analysis of Performance and Status (MAPS) Report, which contains statistical case and performance data derived from the FLRA’s Case Management System (CMS) and agency management. The data contained in the MAPS Report is examined in a variety of forums, and the status toward meeting the agency’s case-processing performance goals are shared with all employees through the weekly, agency-wide newsletter. At the component and office levels, there are also daily performance assessments using a variety of reports, including case-filing reports, which track the number and age of cases; case-status reports, which track the status of all assigned pending cases within the Authority, the Office of the General Counsel (OGC), and the Federal Service Impasses Panel (FSIP or the Panel); and monthly disposition reports, which track the number, age, and resolution type of every closed case within the OGC.

The analysis and assessment of these reports drive, among other things, decisions to target services (including training, facilitations, and on-site investigations) to certain parties or geographical locations; adjustments in workload through case transfers at the national, regional, and office level; and reallocation of resources, including use of details, contract support, and temporary hires. As to the latter point, after identifying a backlog of cases awaiting decision in the Office of the Administrative Law Judges (OALJ), the FLRA reallocated an attorney position to the office; utilized internal details; created and filled an additional, temporary not-to-exceed, six-month attorney appointment; and contracted for time-specific paralegal support to increase mission performance in that office.

FLRA Strategic Goals

1. Achieve superior customer service.
2. Develop leaders at every level to meet goals and position the agency for the future.
3. Advance performance through organizational and management excellence.
4. Develop, empower, and engage FLRA employees to meet program needs and improve job satisfaction.

The FLRA seeks to achieve its strategic goals primarily through the timely review and disposition of cases. The agency supplements these efforts with a focus on reducing litigation and its attendant costs by helping parties resolve their own disputes through collaboration, alternative dispute resolution (ADR), and labor-management-cooperation activities. These efforts are further supported by the FLRA's focus on internal improvements in information technology (IT) and more effective and efficient use of human capital.

FY 2016 Performance Goals

1. Provide timely review and disposition of unfair-labor-practice cases.
2. Provide timely review and disposition of representation cases.
3. Provide timely review and disposition of arbitration cases.
4. Provide timely review and disposition of negotiability cases.
5. Provide timely review and disposition of bargaining-impasse cases.
6. Use collaboration techniques and alternative-dispute-resolution services to minimize and/or resolve labor-management disputes.
7. Modernize agency information-technology business systems to support and enhance program achievement.
8. Develop, manage, and utilize the FLRA's human capital to meet program needs.

Timeliness

Improvements in the timeliness of case disposition further the FLRA's critical role in facilitating orderly, efficient, and effective change within the federal government. In large part, the FLRA exists to promote effective labor-management relations that, in turn, permit improved employee performance and government operations. Timely dispute resolution – or dispute avoidance – is critical to this endeavor.

The agency facilitates improvements in performance, government-wide, that have inevitable effects on employee working conditions and implicate the bargaining rights of the more than 1.2 million employees represented by labor organizations. Unless management and labor can reach timely agreements or, failing that, have their disagreements resolved expeditiously, mission performance will suffer. This is particularly relevant now as federal agencies are making significant adjustments and changes in how they perform their missions in response to the budgetary and policy challenges that they are facing.

Alternative Dispute Resolution and Education

Throughout the years, the Authority, the OGC, and the FSIP have not only recognized the many benefits associated with using ADR to resolve workplace disputes, but they have also integrated ADR techniques into all aspects of case processing. Put simply, offering ADR services in every case, at every step, results in better, faster outcomes for the parties and the FLRA. For this reason, the agency continues to leverage existing staff and resources to increase its ADR reach. This includes partnering with other agencies – such as the Federal Mediation and Conciliation Service (FMCS) and the Department of Veterans Administration – to train large numbers of practitioners, and supporting labor-management forums, pursuant to Executive Order 13522, *Creating Labor-Management Forums to Improve Delivery of Government Services*.

In addition, the FLRA's training initiative is intended to make case processing more effective and efficient and to better serve the FLRA's customers by providing meaningful and clear guidance on statutory rights and responsibilities. Timely and efficient case processing is furthered by FLRA customers being knowledgeable about their rights and obligations under the Federal Service Labor-Management Relations Statute (the Statute), as well as FLRA case law, regulations, and case-processing procedures. The FLRA delivers its educational materials through a variety of means, such as in-person training sessions; comprehensive, web-based training modules; and case outlines, manuals, and subject-matter guides that are easily accessible on www.flra.gov and that have been developed to assist members of the federal labor-management relations community with issues and cases arising under the Statute. Using collaboration and ADR techniques – along with other training, outreach, and facilitation services – to assist parties in minimizing and resolving labor-management disputes significantly reduces the need for litigation and its attendant costs, and it gets the parties back to work accomplishing their missions and delivering effective and efficient government services.

Information Technology

IT and automation of agency processes continue to be key areas of focus for the agency. Both are fundamental for ensuring the efficiency and effectiveness of the FLRA, as measured by the agency's ability to meet its annual performance goals. The agency continues to improve its efficiency and the customer-service experience by engaging in new and innovative ways to conduct business, such as through electronic case filing (eFiling). In addition, the agency has placed a significant emphasis on IT modernization to ensure that its equipment and infrastructure enable it to maximize gains in efficiency that can be achieved through use of technology.

The FLRA's eFiling system is an important e-government initiative that was developed to provide easier and more user-friendly access to the FLRA and its services. As expected, eFiling has already begun to increase efficiency by reducing procedural-filing errors and resulting processing delays. This efficiency is expected to increase over time with expansion and increased use of the agency's eFiling system, and is yet another example of the FLRA's ongoing efforts to better serve its customers and to provide current and useful online tools for federal employees, the unions that represent them, and federal agencies for resolving issues under the Statute. In FY 2014, the agency completed the infrastructure necessary to launch the final phase of eFiling, which will enable the parties to electronically file cases with the OALJ. As of the

first quarter of FY 2015, all four of the agency offices that receive case filings – the FSIP, the Authority, the OGC, and the OALJ – were thus be capable of receiving them electronically. Having successfully implemented eFiling in all four components is a major step towards meeting the agency’s long-term goal of having all cases filed electronically and creating an “end-to-end” electronic case file for all cases. Moreover, through eFiling-specific training and outreach, in FY 2014, nearly 40 percent of Authority cases were filed electronically. Future training and outreach is expected to increase eFiling throughout all agency components.

The eFiling system provides the platform for development of an “end-to-end” electronic case file. As such, in FY 2014, the agency devoted significant effort to automating functions between office-specific eFiling and existing case-management systems. This automation immediately increased case-processing efficiency – administrative staff no longer needs to manually enter data regarding an eFiling into the office’s existing electronic case-tracking system because that process is now automated. The agency also made significant progress in building the infrastructure for transferring cases and case documents electronically – rather than by hard copy – from office to office. In this regard, the agency successfully completed its pilot electronic-case-file program between the Authority and the Collaboration and Alternative Dispute Resolution Office (CADRO). The Authority and the CADRO now share all case files electronically, thus, the agency met its FY 2014 goal of creating a fully electronic case file for at least one component. This will serve as the model for implementing the agency’s long-term goal of sharing electronic case files throughout the FLRA, as well as the OMB-mandated target of having all electronic files by 2019. In support of this endeavor, the agency has “mapped out” the flow of cases between various agency components and developed a plan for transferring cases between all components. The agency has taken initial steps to identify electronic document-management solutions that will work in tandem with the agency’s electronic case-management systems to provide the required storage space and capacity for an “end-to-end” electronic case file.

Human Capital

Capturing the rank of #5 in the *2014 Best Places to Work in the Federal Government* rankings – up from #8 last year – there is no doubt that the FLRA continues to have a highly engaged workforce that is dedicated to the accomplishment of its mission. As evidence of this, the results of the Office of Personnel Management’s (OPM) *2014 Federal Employee Viewpoint Survey* (FEVS) show that: 83 percent of eligible employees responded to the survey; 100 percent of FLRA respondents report that they are willing to put in extra effort to get a job done; 97 percent indicate that they are being held accountable for achieving results; 96 percent know how their work relates to the agency’s goals and priorities; and 94 percent know what is expected of them on the job. The agency’s values of transparency, open dialogue, and pre-decisional involvement allow for effective communication and continuous feedback around mission performance and agency operations.

In addition, the FLRA invests in its employees through classroom training, rotational details, cross-component learning, challenging assignments, and leadership-development trainings and opportunities to enhance and broaden employees’ skills. In this connection, employees at all levels – both professional and administrative-support staff – delivered positive agency outcomes

and led numerous mission-related initiatives, including: the development of the FLRA's bilingual webpages; a decision-writing initiative intended to strengthen the quality of the Authority's decisions; and the development of Authority and OGC training materials, guides, and manuals – many of which are web based – to educate the FLRA's customers about the Statute, applicable legal standards and FLRA precedent, and the agency's case-processing procedures.

Internal developmental details accomplished two strategic objectives: (1) development of future leaders to facilitate succession planning; and (2) cross-training to allow for the reassignment of employees to positions more closely matched to their career interests. Position descriptions were updated and now allow for greater growth and advancement opportunities within the agency. And employees readily volunteered for collateral-duty assignments, new initiatives, and projects. The agency also renewed its agreement with a local university to offer discounted tuition for FLRA employees.

In order to further fulfill the FLRA's mission, the agency also focuses on succession planning by identifying its future human-resources needs, as well as potential organizational and skills gaps and vulnerabilities, and setting goals to address them. With respect to succession planning, the FLRA launched a training initiative designed to assist higher-graded employees identify and strengthen critical leadership skills in preparation for eventually transitioning to formal leadership positions. To strengthen and support the FLRA's new cadre of first-time managers and supervisors, the agency identified a series of trainings geared towards developing strategic thinking and other critical skills in preparation for executive leadership at the FLRA. The agency had not provided such targeted leadership development for its employees in more than 15 years. And the FLRA developed and provided high-level, mission-based training for its attorneys – nearly 20 percent of whom are new to the FLRA – that built upon their existing legal, technical, and ADR skills to improve and maximize performance. These training initiatives crossed components, bringing together future agency leaders from all offices to enhance their skills and encourage collaboration among peers.

The agency also updated its Attorney Recruitment Policy in order to allow managers greater hiring flexibility with respect to the agency's only mission-critical occupation – attorney – and to expedite the recruitment process. And, in collaboration with the Partnership for Public Service's Excellence in Government Fellows program, the agency developed and piloted an Employee Onboarding Handbook to enhance and standardize the onboarding process.

The FLRA is committed to fostering a workplace where employees from all backgrounds are recruited, retained, and developed for successful performance and career progression. The agency achieved greater diversity in its workforce in FY 2014 by increasing targeted recruitment and posting job opportunities with career planning and placement services, local colleges and universities, and professional affinity-group organizations. The FLRA also utilized both Student Pathways and summer externship programs to accomplish mission-related initiatives throughout the agency.

Further, based on employee feedback provided through the 2014 FEVS, the FLRA moved into the top scoring ranking in terms of "New IQ Performance," which measures the results of

20 separate survey questions related to inclusive environments. In particular, 81 percent of FLRA respondents – compared to 73 percent in 2013 – reported that supervisors work well with employees of different backgrounds. And 73 percent of respondents – a twelve percent increase from 2013 – stated that the FLRA’s policies and programs promote diversity in the workplace (e.g., recruiting minorities and women, training in awareness of diversity issues, mentoring). Both of these statistics show that the FLRA is well above the government-wide average with respect to both questions – nearly 20 percent higher for each.

GOAL 1: PROVIDE TIMELY REVIEW AND DISPOSITION OF UNFAIR-LABOR-PRACTICE CASES.

The General Counsel has independent responsibility for the investigation, settlement, and prosecution of all unfair-labor-practice (ULP) charges. ULP cases originate with the filing of a charge in a Regional Office by an employee, labor organization, or agency. Once a charge has been filed, the Regional Office will investigate the charge to determine whether it has merit. If the Regional Director determines that the charge has merit, then he or she will, absent settlement, issue and prosecute a complaint before an Administrative Law Judge (ALJ). If the Regional Director determines that the charge lacks merit, then the charging party is entitled to a written explanation, and, if not satisfied, may appeal the decision to the General Counsel in Washington, D.C. If the dismissal is upheld, then the case is closed. The Authority has appointed ALJs to hear ULP cases prosecuted by the General Counsel. Decisions of the ALJs are transmitted to the Authority and may be affirmed, modified, or reversed in whole or in part. If no exceptions are filed, then a decision by the ALJ is adopted by the Authority.

OGC	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	1,811	1,453	1,488	1,570	1,425	1,231
Charges filed	<u>4,094</u>	<u>4,375</u>	<u>4,659</u>	<u>4,696</u>	<u>4,736</u>	<u>4,783</u>
Total caseload	5,905	5,828	6,147	6,266	6,161	6,014
Charges withdrawn/settled	3,425	3,377	3,646	3,779	3,850	3,900
Charges dismissed	812	732	673	809	820	840
Complaints issued	<u>215</u>	<u>231</u>	<u>258</u>	<u>253</u>	<u>260</u>	<u>280</u>
Total cases closed	4,452	4,340	4,577	4,841	4,930	5,020
Cases pending, end of year	1,453	1,488	1,570	1,425	1,231	994

OALJ	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	54	72	115	120	110	14
Cases received from the OGC	<u>234</u>	<u>240</u>	<u>271</u>	<u>260</u>	<u>186</u>	<u>186</u>
Total caseload	288	312	386	380	296	200
Settlements before hearing	191	177	223	240	228	162
Cases closed by decision	<u>25</u>	<u>20</u>	<u>43</u>	<u>30</u>	<u>54</u>	<u>38</u>
Total cases closed	216	197	266	270	282	200
Cases pending, end of year	72	115	120	110	14	0

Authority	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	14	6	2	12	13	25
Exceptions filed	<u>17</u>	<u>20</u>	<u>27</u>	<u>27</u>	<u>44</u>	<u>44</u>
Total caseload	31	26	29	39	57	69
Cases closed procedurally	13	16	16	18	32	32
Cases closed based on merits	<u>12</u>	<u>8</u>	<u>1</u>	<u>8</u>	<u>0</u>	<u>0</u>
Total cases closed	25	24	17	26	32	32
Cases pending, end of year	6	2	12	13	25	37

Measure 1.1: The percentage of ULP charges resolved by the OGC by complaint, withdrawal, dismissal, or settlement within 120 days of filing of the charge.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
54%	61%	68%	67%	68%	70%

The OGC has increased its FY 2015 target for this measure from 65 percent to 68 percent, based on actual performance over the past few years.

Measure 1.2: The percentage of decisions on an appeal of a Regional Director's dismissal of a ULP charge issued within 60 days of the date filed, and in no case more than 120 days.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
97%/100%	99%/100%	100%/100%	98%/100%	95%/100%	95%/100%

The FY 2015 target for this measure (appeal of a dismissal within 60 days) has been increased by the OGC as well, from 90 percent to 95 percent, based on past performance.

Measure 1.3: The percentage of ULP complaints issued by the General Counsel resolved or decided in the OALJ within 180 days of the complaint being issued.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
95%	90%	86%	91%	90%	90%

Measure 1.4: The percentage of ULP cases decided within 180 days of assignment to an Authority Member.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
31%	75%	100%	50%	65%	75%

The Authority has increased its FY 2015 target for this measure, from 60 percent to 65 percent, to reflect an emphasis on eliminating overage cases. For more than ten months of FY 2014, the Authority lacked a quorum of Members necessary to issue decisions. When the Authority regained its quorum, it immediately focused its efforts on addressing and issuing decisions in those cases in its inventory that had already exceeded the 180-day performance goal – defined as a “backlog.”

GOAL 2: PROVIDE TIMELY REVIEW AND DISPOSITION OF REPRESENTATION CASES.

The Statute sets out a specific procedure for employees to petition to be represented by a labor union and to determine which employees will be included in a “bargaining unit” that a union represents. Implementing this procedure, the FLRA conducts secret-ballot elections for union representation and resolves a variety of issues related to questions of union representation of employees. These issues include, for example, whether particular employees are managers or “confidential” employees excluded from union representation, whether there has been election misconduct on the part of agencies or unions, and whether changes in union and agency organizations affect existing bargaining units. Representation cases are initiated by the filing in a Regional Office of a petition by an individual, a labor organization, or an agency. After a petition is filed, the Regional Director conducts an investigation to determine the appropriateness of a unit or other matter related to the petition. After concluding such investigation, the Regional Director may conduct a secret-ballot election or hold a hearing to resolve disputed factual matters. After a hearing, the Regional Director issues a Decision and Order, which is final unless an application for review is filed with the Authority.

OGC	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	127	107	95	87	66	50
Petitions filed	<u>267</u>	<u>271</u>	<u>240</u>	<u>235</u>	<u>245</u>	<u>252</u>
Total caseload	394	378	335	322	311	302
Petitions withdrawn	126	115	106	118	120	122
Cases closed based on merits	<u>161</u>	<u>168</u>	<u>142</u>	<u>138</u>	<u>141</u>	<u>143</u>
Total cases closed	287	283	248	256	261	265
Cases pending, end of year	107	95	87	66	50	37

Authority	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	6	6	0	9	7	7
Applications for review	<u>12</u>	<u>6</u>	<u>11</u>	<u>13</u>	<u>12</u>	<u>12</u>
Total caseload	18	12	11	22	19	19
Cases closed procedurally	0	0	1	2	0	0
Cases closed based on merits	<u>12</u>	<u>12</u>	<u>1</u>	<u>13</u>	<u>12</u>	<u>12</u>
Total cases closed	12	12	2	15	12	12
Cases pending, end of year	6	0	9	7	7	7

Measure 2.1: The percentage of representation cases resolved by the OGC through withdrawal, election, or issuance of a Decision and Order within 120 days of the filing of a petition.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
60%	62%	60%	66%	60%	60%

Measure 2.2: The percentage of representation cases in which a decision whether to grant review is issued within 60 days of assignment to an Authority Member.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
100%	100%	100%	100%	100%	100%

GOAL 3: PROVIDE TIMELY REVIEW AND DISPOSITION OF ARBITRATION CASES.

Either party to grievance arbitration may file with the Authority an exception (or appeal) to an arbitrator's award. The Authority will review an arbitrator's award to which an exception has

been filed to determine whether the award is deficient because it is contrary to any law, rule, or regulation, or on grounds similar to those applied by federal courts in private-sector, labor-management relations.

Authority	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	173	66	40	123	90	90
Exceptions filed	<u>110</u>	<u>107</u>	<u>124</u>	<u>89</u>	<u>104</u>	<u>104</u>
Total caseload	283	173	164	212	194	194
Cases closed procedurally	22	24	19	16	12	12
Cases closed based on merits	<u>195</u>	<u>109</u>	<u>22</u>	<u>106</u>	<u>92</u>	<u>92</u>
Total cases closed	217	133	41	122	104	104
Cases pending, end of year	66	40	123	90	90	90

Measure 3.1: The percentage of arbitration cases decided within 180 days of assignment to an Authority Member.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
33%	58%	91%	34%	65%	75%

The Authority has also increased its FY 2015 target for this measure, from 60 percent to 65 percent, to reflect the lack of a quorum in FY 2014 and an emphasis on eliminating overage cases in FY 2015.

GOAL 4: PROVIDE TIMELY REVIEW AND DISPOSITION OF NEGOTIABILITY CASES.

A federal agency bargaining with a union may claim that a particular union proposal cannot be bargained because it conflicts with federal law, a government-wide rule or regulation, or an agency regulation for which there is a compelling need. In these cases, a union may petition the Authority to resolve the negotiability dispute.

Authority	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	22	15	8	9	17	17
Petitions filed	<u>39</u>	<u>45</u>	<u>30</u>	<u>43</u>	<u>32</u>	<u>32</u>
Total caseload	61	60	38	52	49	49
Cases closed procedurally	33	38	27	29	28	28
Cases closed based on merits	<u>13</u>	<u>14</u>	<u>2</u>	<u>6</u>	<u>4</u>	<u>4</u>
Total cases closed	46	52	29	35	32	32
Cases pending, end of year	15	8	9	17	17	17

Measure 4.1: The percentage of negotiability cases decided within 180 days of assignment to an Authority Member (reflecting reasonable time for a post-petition conference).

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
29%	50%	100%	17%	65%	75%

The FY 2015 target for this measure has been increased by the Authority as well, from 60 percent to 65 percent, based on the lack of a quorum in FY 2014 and an emphasis in FY 2015 on eliminating overage cases.

GOAL 5: PROVIDE TIMELY REVIEW AND DISPOSITION OF BARGAINING-IMPASSE CASES.

In carrying out the right to bargain collectively, it is not uncommon for a union representative and a federal agency to simply not agree on certain issues, and for the bargaining to reach an impasse. Several options are available by which the parties may attempt to resolve the impasse. The parties may: decide, on their own, to use certain techniques to resolve the impasse, but may proceed to private, binding arbitration only after the FSIP approves the procedure; seek the services and assistance of the FMCS; or seek the assistance of the FSIP in resolving the negotiation impasse, but only after the previous options have failed.

FSIP	2011	2012	2013	2014	2015 Est.	2016 Est.
Cases pending, start of year	36	53	38	40	28	20
Impasses filed	<u>152</u>	<u>176</u>	<u>194</u>	<u>134</u>	<u>124</u>	<u>124</u>
Total caseload	188	229	232	174	152	144
Cases closed	<u>135</u>	<u>191</u>	<u>192</u>	<u>146</u>	<u>132</u>	<u>132</u>
Cases pending, end of year	53	38	40	28	20	12

Measure 5.1: The percentage of bargaining impasse cases in which jurisdiction is declined closed within 140 days of the date filed.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
64%	92%	95%	89%	80%	80%

Measure 5.2: The percentage of bargaining impasse cases voluntarily settled after jurisdiction has been asserted within 160 days of the date filed.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
79%	86%	97%	68%	70%	70%

Measure 5.3: The percentage of bargaining impasse cases resolved through a final action closed within 200 days of the date filed.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
65%	77%	87%	61%	70%	70%

GOAL 6: USE COLLABORATION TECHNIQUES AND ALTERNATIVE-DISPUTE-RESOLUTION SERVICES TO MINIMIZE AND/OR RESOLVE LABOR-MANAGEMENT DISPUTES.

The FLRA has integrated ADR and consensus decision-making into virtually all of its processes, and has significantly expanded its training, outreach, and facilitation activities since FY 2011. ADR is an informal process that allows parties to discuss and develop their interests in order to resolve the underlying issues and problems in their relationships. This includes interest-based conflict resolution and intervention services in pending ULP cases, representation cases, arbitration cases, negotiability appeals, and bargaining-impasse disputes. The agency also provides facilitation and training to help labor and management develop collaborative relationships. Many of the FLRA’s training programs are now available as web-based training modules, bringing educational tools and resources directly to agency customers at their desks to further assist them in resolving labor-management disputes.

Measure 6.1: Percentage of ULP cases in the OGC in which an offer of ADR services is accepted by the parties that are partially or totally resolved.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
87%	97%	98%	98%	95%	95%

Measure 6.2: Percentage of ULP cases in the OALJ in which an offer of Settlement Judge services is accepted by the parties that are partially or totally resolved.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
88%	80%	78%	96%	80%	80%

Measure 6.3: Percentage of representation cases in the OGC in which an offer of ADR services is accepted by the parties that are partially or totally resolved.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
93%	91%	100%	100%	95%	95%

Measure 6.4: Percentage of arbitration cases in which an offer of ADR services is accepted by the parties that are partially or totally resolved.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
100%	N/A	100%	80%	80%	80%

In FY 2012, there was only one arbitration case in which an offer of ADR services was accepted by the parties, and ADR in that case was still ongoing at the end of the fiscal year. As a result, this performance measure did not apply in FY 2012.

Measure 6.5: Percentage of proposals or provisions – in negotiability cases in which an offer of ADR services is accepted by the parties – that are partially or totally resolved.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
87%	100%	100%	100%	90%	90%

The wording of Measure 6.5 has been revised in FY 2015 and FY 2016. It is intended to more accurately reflect the workload in negotiability ADR activities. Specifically, the new wording measures proposals and provisions, not “cases,” and recognizes that all cases are not the same because some involve only one proposal or provision, and others involve many.

Measure 6.6: Percentage of bargaining impasse cases in which an offer of ADR services is accepted by the parties that are partially or totally resolved.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
29%	32%	28%	27%	30%	30%

Measure 6.7: The number of training, outreach, and facilitation activities conducted.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
332	221	302	225	200	200

Measure 6.8: The number of participants involved in training, outreach, and facilitation activities.

Results				Targets	
FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
11,975	8,933	5,976	5,114	5,000	5,000

The FLRA has reduced its FY 2015 target for this measure from 6,000 to 5,000, based on actual performance over the past few years. Much of the demand for training, outreach, and facilitation activities in FY 2011 and FY 2012 was for overview training on instituting forums and pre-decisional involvement under Executive Order 13522. Because this training is now available through a web-based training course, and since forums are now well-established, the FLRA expects the focus of its services to be on supporting the successful operation of these forums and further developing the skills for a successful labor-management relationship.

GOAL 7: MODERNIZE AGENCY INFORMATION-TECHNOLOGY BUSINESS SYSTEMS TO SUPPORT AND ENHANCE PROGRAM ACHIEVEMENT.

The FLRA continues to improve its efficiency and the customer-service experience by engaging in new and innovative ways to conduct business – and the greatest example of this is through eFiling. eFiling is, however, only one aspect of the FLRA’s electronic innovation initiative. The eFiling system provides the platform for development of an “end-to-end” electronic case file. And efforts to date, serve as the model for implementing the agency’s long-term goal of electronic case files throughout all offices, as well as the OMB-mandated target of 100 percent electronic files by 2019.

Measure 7.1: The percentage of cases filed electronically with the FLRA.

Results	
FY 2011	Began developing an eFiling solution. Completed development of customer registration and FSIP eFiling capability.
FY 2012	Completed development of Authority and OGC eFiling capability. Began testing eFiling capability with customers.
FY 2013	10%
FY 2014	12%

Targets	
FY 2015	25%
FY 2016	50%

The target for this measure has been revised in FY 2015 to acknowledge and account for the FLRA’s initiative to development a more intuitive, user-friendly eFiling interface. Based on customer feedback, the FLRA recognizes that to fully implement strategies – including training and outreach – to maximize eFiling, it is necessary to first develop and leverage enhancements to the FLRA’s eFiling customer-facing capabilities.

Measure 7.2: The percentage of cases processed electronically end-to-end.	
Results	
FY 2011	N/A
FY 2012	Enhanced the CMS to provide the structure that supports end-to-end electronic case processing.
FY 2013	Conducted a pilot program on end-to-end case processing.
FY 2014	Migrated the CADRO to an end-to-end electronic case file.
Targets	
FY 2015	Complete full integration of the CMS and eFiling systems, enabling end-to-end electronic case processing throughout the agency.
FY 2016	Maintain full integration of the CMS and eFiling systems, enabling end-to-end electronic case processing throughout the agency.

This measure was established in FY 2012 to serve as an indicator of success in developing and implementing an end-to-end electronic case file.

GOAL 8: DEVELOP, MANAGE, AND UTILIZE THE FLRA’S HUMAN CAPITAL TO MEET PROGRAM NEEDS.

Over the last five-and-a-half years, the FLRA has demonstrated significant and marked improvement in its performance and service delivery, and has continued to rank among the top ten small agencies in the *Best Places to Work in the Federal Government Survey*. These results demonstrate the agency’s commitment to empowering and developing a highly engaged and effective workforce. The success of FLRA employees is instrumental to its success as an agency. It is within this spirit that the FLRA actively manages its human-capital programs.

Measure 8.1: Program managers ensure that the right employees are in the right place to achieve results.

Results	
FY 2011	Continued to focus on employee engagement. Through its Labor-Management Forum, updated the agency’s Alternative Work Schedule policy, which increased flexibility within the program; began work on recognizing diversity through special-emphasis programs; and initiated efforts to update employee-awards programs. Formed a joint labor-management workgroup to design a new Performance-Management System for General Schedule employees for OPM approval and agency implementation. Through an employee workgroup, designed and submitted to OPM for approval a revised Senior Executive Service (SES) appraisal system. Consistent with the agency’s Human Capital Strategic Plan, developed a training-needs assessment, which will be used to create individual-development plans to address areas needing skills improvement and to further increase mission-critical competencies. Supported employee ideas, initiatives, and employee-focused programs, such as “Bring Your Child to Work” day, Public-Service Recognition Week, a health-benefits fair, and a blood drive. Initiated brown-bag programs and an educational series to inform and develop employees in a casual setting. Continued human capital e-initiatives with the successful implementation of USAStaffing, the DataMart reporting tool, and employee eOPFs.
FY 2012	Enhanced development offerings, to include competency-based training, career-ladder developmental programs, and continuation of human resources workshops and educational brown-bags. Drafted and implemented a five-year Diversity and Inclusion Strategic Plan to make the agency a more inclusive and inviting workplace for all of its employees. Increased diversity by hiring summer student interns, in some cases using targeted minority-hiring strategies. Expanded developmental offerings, to include attorney details.
FY 2013	Implemented a web-based time and attendance system to increase efficiency and accuracy of reporting. Obtained provisional certification of the FLRA’s SES Performance-Management System from OPM. Established an ADR process for resolving performance-management issues. As part of its strategic workforce planning efforts, continued employee development, including attorney details to other offices; ADR-facilitator training; and leadership-development and other workforce training. Established a Student Pathways Policy for student internships and partnered with the University of Maryland’s Federal Semester Program to offer unpaid internships to students.
FY 2014	Focused on succession planning by increasing targeted attorney recruitment. Renewed agreement with the University of Maryland for discounted tuition for agency employees. Increased agency resources through recruitment, staffing, and placement. Utilized the Student Pathways and Summer Externship programs to increase resources for casework and administrative initiatives throughout the agency. Realigned functions within the agency’s Office of the Executive Director to allow for improved efficiencies and

	customer service to agency employees. Worked extensively with managers to hold employees accountable for performance and development. Updated Attorney Recruitment Policy in order to allow managers greater hiring flexibility of the agency's mission-critical occupation and to streamline the recruitment process. In collaboration with the Partnership for Public Service's Excellence in Government Fellows program, developed and piloted an Employee Onboarding Handbook to improve the onboarding process and increase employee engagement.
Targets	
FY 2015	Implement a fully automated and integrated electronic system for personnel actions, as well as a learning management system. Develop a more robust onboarding process through increased use of technology and implementation of an Employee Onboarding Handbook. Update significant human-resources policies and procedures. Build internal capacity for handling the major human-resources functional areas. Improve office customer service by improving the quality of advice provided to managers and employees. Work with managers to educate about and increase diversity and inclusion when seeking new agency talent.
FY 2016	Fully automate the agency performance-management system. Ensure that all position descriptions and job classification information has been updated within the past three years. Continue to update significant human-resources policies and procedures.

BUDGET JUSTIFICATION

FY 2015 APPROPRIATION LANGUAGE

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, and including hire of experts and consultants, hire of passenger motor vehicles, and including official reception and representation expenses (not to exceed \$1,500) and rental of conference rooms in the District of Columbia and elsewhere, [\$25,548,000] \$26,550,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences. (*Financial Services and General Government Appropriations Act, 2015.*)

APPROPRIATION REQUEST

The FLRA requests \$26,550,000 in FY 2016 to fund employee salaries and related operating expenses necessary to meet its annual performance targets. The agency's FY 2016 request would fund 140 full-time equivalents (FTEs) – an increase of five over FY 2015.

(In thousands of dollars)

Program Activity	FY 2014 Actual	FY 2015 Estimate	FY 2016 Request	Change from FY 2015
Authority	\$14,526	\$13,882	\$14,272	\$390
Office of the General Counsel	10,052	10,751	11,269	518
Federal Service Impasses Panel	814	968	1,009	41
Direct Obligations	\$25,392	\$25,601	\$26,550	\$949
FTEs	121	135	140	5

Note: The FY 2015 estimate includes \$53,000 in anticipated carryover funding from the prior year.

The requested FY 2016 level incorporates cost-savings measures initiated over the past few years to increase program effectiveness and to reduce fragmentation, overlap, and duplication. The launch of the FLRA's modernized website and continual enhancements to the site, for example, have allowed the agency to provide timely and accurate information to its customers – other federal agencies and federal unions – including FLRA decisions, legal guidance and

memorandums, policy documents, and legal training and resources. Providing this information in the past involved costly printing and publication, which have since been eliminated.

Furthermore, the requested level reflects an approximate 35 percent decrease in information technology (IT) spending since FY 2010. The FLRA has achieved this savings by strengthening its in-house capacity to develop and manage large-scale, agency-wide projects, such as development and implementation of electronic case management and case filing systems. It also highlights the agency's successful efforts in long-term strategic IT planning.

CHANGE FROM FY 2015

The requested FY 2016 funding level includes an increase of \$949,000 over FY 2015 to cover rising employee compensation and benefit costs and office rent, and to provide for five additional FTEs – one in the Authority and four in the Office of the General Counsel (OGC). It is noted that, based on improvements in productivity from streamlining, creative use of technology, and elimination of low priority tasks and programs, the FLRA intends to absorb all inflationary increases for FY 2016 contractual goods and services within its baseline resource levels.

Personnel Compensation and Benefits

The timeliness in which the OGC resolves unfair labor practice (ULP) and representation cases, the quality of case dispositions, and the extent to which the parties are able to take full advantage of dispute resolution opportunities directly affects the pace of government change. The core purpose of the Federal Service Labor-Management Relations Statute is to promote collective bargaining as a means of fostering improved employee performance and government operations. It is clear that productive and effective labor-management relations are necessary for designing and implementing the comprehensive changes required to reform government, and that effective labor-management relations are dependent on both the timely resolution of disputes and the engagement of federal employees and their union representatives as essential sources of front-line ideas and information about improvements in the delivery of government services.

In this regard, the OGC has a direct influence on how well and quickly changes proposed by agencies can be implemented by resolving – among other things – disputes involving collective bargaining matters and questions concerning the labor representation of federal employees. Accordingly, the FLRA request includes an additional \$360,000 to establish four new entry-level agent positions in the OGC to keep pace with the projected increase in ULP charges over the next two years and to continue showing improvement in resolving ULP cases within 120 days of filing. Improvement in the timeliness of case disposition furthers the office's critical role in facilitating orderly, efficient, and effective change within the federal government.

FLRA employees throughout the agency are directly involved in providing parties with alternative dispute resolution (ADR) services, which, in turn, are key to resolving cases timely, as well as in preventing future disputes. Throughout the years, recognizing the benefits and cost-savings associated with using ADR to resolve disputes, the FLRA has integrated ADR techniques into all aspects of its case processing, resulting in parties reaching faster, more

mutually agreeable, and more effective resolution of their disputes than that achieved through litigation. Moreover, use of ADR furthers the Administration's policies and principles of promoting and supporting organizational performance through cooperative and productive labor-management relations throughout the federal government.

Based on the tremendous success of the FLRA's ADR activities in FY 2014, the agency is also requesting \$92,000 to fund an additional entry-level position to be devoted exclusively to those activities beginning in FY 2016. This will, in turn, permit the FLRA to increase not only its efforts to resolve existing disputes, but also to engage in the kind of facilitation and training that prevents disputes. As examples, the OGC settles nearly 100 percent of all ULP and representation cases where the parties agree to use ADR services. In addition, the office resolves nearly 100 percent of the ULP cases where a complaint has been authorized without the need for formal litigation. In the Authority, the same results are reached in negotiability and arbitration cases where the parties agree to use ADR. In fact, FY 2014 results show that 100 percent of negotiability cases (where the parties agreed to use ADR) reached full or partial settlement. And the settlements are faster (and cheaper) than formal case adjudications. Referring again to negotiability cases, the Collaboration and Alternative Dispute Resolution Office assisted parties to reach complete agreement in 16 cases in FY 2014. If those 16 cases had required formal adjudication by the Authority, at least one full year's work by an Authority attorney would have been required. And, of course, not only the Authority's, but also the parties' resources are conserved by the settlements. These are real results, which would be enhanced significantly by an additional position.

The FY 2016 request includes an increase of \$340,000 to provide for statutory pay raises of one percent in January 2015 and 1.3 percent in January 2016. It also includes agency benefit costs that, as a percentage of compensation, continue to rise as the percentage of the FLRA's workforce under the Federal Employees Retirement System (FERS) increases. As those in the Civil Service Retirement System (CSRS) retire or transfer to other agencies, they are generally replaced by those under the FERS. FERS retirement benefits cost the FLRA, on average, twice as much as CSRS benefits, per employee. The agency's personnel benefits estimate, therefore, assumes that the on-going, government-wide transition to the FERS will cost the FLRA an additional \$92,000 in FY 2016, including the scheduled increase in agency contributions.

Rent

The FLRA places an emphasis on telework, and it will seek to consolidate space wherever possible in an effort to reduce operating costs. Since implementation of the telework program in January 2010, approximately 80 percent of the FLRA's workforce has engaged in some form of telework, with roughly half of teleworkers engaged "regularly" and the other half engaged "periodically" or "intermittently." Telework has also contributed to increased employee morale, as measured by the Office of Personnel Management's *Federal Employee Viewpoint Survey*. Feedback from staff indicates that, due to a lack of disruptions, reduced commuting times, and decreased stress, participating employees believe that they are more productive and that they have fewer unscheduled absences. Furthermore, the opportunity to telework has proven useful as a recruiting tool, as it has been the deciding factor in job acceptance and has encouraged several employees to stay with the agency.

The agency makes rental payments to the General Services Administration for office space in Atlanta, Boston, Chicago, Dallas, Denver, San Francisco, and Washington, DC. The previous FLRA headquarters lease in Washington, DC expired in March 2013. In response to growing participation in the agency telework program, the FLRA reduced the size of its headquarters by approximately 12,200 square feet, commencing with the new lease term. The reduction in headquarters space allowed the agency to offset the substantial and significant market increase in rental rates in the Washington, DC area. Despite reducing its overall space footprint, however, an additional \$65,000 will still be necessary in FY 2016 to cover the annual increase over FY 2015.

PROGRAM AND FINANCING SCHEDULE

(In thousands of dollars)

	FY 2014 Actual	FY 2015 Estimate	FY 2016 Request
Obligations by program activity:			
Authority	\$14,583	\$13,907	\$14,272
Office of the General Counsel	10,029	10,821	11,269
Federal Service Impasses Panel	<u>803</u>	<u>973</u>	<u>1,009</u>
Total new obligations	25,415	25,701	26,550
Budgetary resources:			
Non-expenditure transfers:			
Unobligated balance transfers between expired and unexpired accounts	0	53	0
Budget authority:			
Appropriations, discretionary:			
Appropriation, discretionary (total)	25,500	25,548	26,550
Borrowing authority, discretionary:			
Spending authority from offsetting collections, discretionary (total)	<u>23</u>	<u>100</u>	<u>0</u>
Total budgetary resources available	25,523	25,701	26,550
Change in obligated balance:			
Unpaid obligations:			
Unpaid obligations, brought forward, Oct. 1	2,588	2,851	2,851
Obligations incurred, unexpired accounts	25,415	25,701	26,550
Obligations incurred, expired accounts	72	0	0
Outlays (gross)	(25,191)	(25,701)	(26,550)
Recoveries of prior-year unpaid obligations, expired accounts	<u>(33)</u>	<u>0</u>	<u>0</u>
Unpaid obligations, end of year	2,851	2,851	2,851
Budget authority and outlays, net:			
Discretionary:			
Budget authority, gross	25,544	25,701	26,550
Outlays, gross:			
Outlays from new discretionary authority	23,288	23,645	24,426
Outlays from discretionary balances	<u>1,903</u>	<u>2,056</u>	<u>2,124</u>
Outlays, gross (total)	25,191	25,701	26,550
Budget authority, net (total)	25,500	25,601	26,550
Outlays, net (total)	25,147	25,601	26,550

OBJECT CLASSIFICATION SCHEDULE

(In thousands of dollars)

	FY 2014 Actual	FY 2015 Estimate	FY 2016 Request
Direct obligations:			
Personnel compensation:			
Full-time permanent	\$13,260	\$14,597	\$15,238
Other than full-time permanent	801	840	848
Other personnel compensation	<u>197</u>	<u>240</u>	<u>263</u>
Total personnel compensation	14,258	15,677	16,349
Civilian personnel benefits	3,865	4,379	4,591
Travel and transportation of persons	191	220	220
Transportation of things	11	12	12
Rental payments to GSA	2,664	2,580	2,645
Rental payments to others	12	0	0
Communications, utilities, and misc. charges	345	387	387
Printing and reproduction	17	11	11
Other services from non-federal sources	1,732	1,013	1,013
Other goods and services from federal sources	1,080	843	843
Operation and maintenance of facilities	51	7	7
Operation and maintenance of equipment	125	282	282
Supplies and materials	504	120	120
Equipment	<u>537</u>	<u>70</u>	<u>70</u>
Direct obligations	\$25,392	\$25,601	\$26,550
Reimbursable obligations:			
Travel and transportation of persons	<u>23</u>	<u>100</u>	<u>0</u>
Reimbursable obligations	<u>23</u>	<u>100</u>	<u>0</u>
Total new obligations	\$25,415	\$25,701	\$26,550

EMPLOYMENT SUMMARY SCHEDULE

	FY 2014 Actual	FY 2015 Estimate	FY 2016 Request
Direct civilian full-time equivalent employment	121	135	140

INSPECTOR GENERAL RESOURCES

The Office of the Inspector General (OIG) provides independent and objective assessments of the FLRA's efficiency, effectiveness, and compliance with laws and regulations. This is accomplished through proactive evaluations of agency operational processes. In addition to striving to prevent and detect fraud, waste, and abuse of the FLRA's resources and operations, a key goal of the Inspector General is to serve as a catalyst for improving operations and maximizing the efficiency and integrity of agency programs.

In fulfilling these responsibilities and objectives, the Inspector General conducts and supervises investigations, internal reviews, audits, and evaluations of the programs and operations of the agency. The Inspector General communicates the results of investigations and assessments to FLRA management, the Congress, other oversight entities, and the public as appropriate. Generally, results are communicated in formal reports and contain findings and recommendations aimed at correcting any deficiencies identified and promoting efficiency and effectiveness in agency programs and operations. The Inspector General also manages a hotline to provide employees and the public with a direct means for communicating information on potential fraud, waste, or abuse.

The FLRA's FY 2016 funding request includes \$449,138 for the OIG. The funding level requested by the Inspector General, including \$5,000 for training and \$1,210 to support the Council of the Inspectors General on Integrity and Efficiency has been funded in total. The Inspector General has certified that the FLRA's funding request for the OIG satisfies all training requirements for FY 2016.



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

INSPECTOR GENERAL

July 28, 2014

The Inspector General Reform Act (Pub. L. 110-149) was signed by the President on October 14, 2008. Section 6(f) (1) of the Inspector General Act of 1978, 5 U.S.C. app. 3, was amended to require certain specifications concerning Office of Inspector General (OIG) budget submissions each fiscal year (FY).

Each inspector general (IG) is required to transmit a budget request to the head of the establishment or designated Federal entity to which the IG reports specifying:

- The aggregate amount of funds requested for the operations of the OIG,
- The portion of this amount requested for OIG training, including a certification from the IG that the amount requested satisfies all OIG training requirements for the fiscal year, and
- The portion of this amount necessary to support the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

The head of each establishment or designated Federal entity, in transmitting a proposed budget to the President for approval, shall include:

- An aggregate request for the OIG,
- The portion of this aggregate request for OIG training,
- The portion of this aggregate request for support of the CIGIE, and
- Any comments of the affected IG with respect to the proposal.

The President shall include in each budget of the U.S. Government submitted to Congress.

- A separate statement of the budget estimate submitted by each IG,
- The amount requested by the President for each OIG,
- The amount requested by the President for training of OIGs,
- The amount requested by the President for support of the CIGIE, and
- Any comments of the affected IG with respect to the proposal if the IG concludes that the budget submitted by the President would substantially inhibit the IG from performing duties of the OIG.

Following the requirements as specified above, the Federal Labor Relations Authority inspector general submits the following information relating to the OIG's requested budget for FY 2016:

- The aggregate budget request for the operations of the OIG is \$449,138.
- The portion of this amount needed for OIG training is \$5,000, and
- The portion of this amount needed to support the CIGIE is \$1,210.

I certify as the IG of the Federal Labor Relations Authority that the amount I have requested for training satisfies all OIG training needs for FY 2016.



Inspector General
Federal Labor Relations Authority



U.S. FEDERAL LABOR RELATIONS AUTHORITY
1400 K Street, N.W.
Washington, DC 20424
www.flra.gov