



INSPECTOR GENERAL

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

**MEMORANDUM**

DATE: October 5, 2022

TO: Ernest DuBester  
Chairman

Colleen Duffy Kiko  
Member

Susan Tsui Grundmann  
Member

FROM: Dana Rooney *D. Rooney*  
Inspector General

SUBJECT: Top Management and Performance Challenges for Fiscal Year 2023 (MC-23-01)

Each Inspector General (IG) is required by law, the *Reports Consolidation Act of 2000*<sup>1</sup>, to provide the agency head with a statement that summarizes the “most serious management and performance challenges facing the agency” and to assess the agency’s progress in addressing those challenges. The law states that the “agency head may comment on the IG’s statement, but may not modify the statement.” By statute this statement should be included in the Federal Labor Relations Authority’s (FLRA) “Performance and Accountability Report” (PAR).

The FLRA IG’s Statement is based on the Office of Inspector General’s (OIG) experience and observations from our oversight work, as well as our general knowledge of the FLRA programs and operations. Our analysis considers the accomplishments the FLRA reported as of August 31, 2022.

Accordingly, the attached document describes the most serious management and performance challenges facing the FLRA along with a brief assessment and management’s progress in addressing them. These ongoing challenges include: records management and closure of open recommendations outstanding for more than 1 year.

The above challenges were also noted in the agency’s Fiscal Year (FY) 2021 PAR. We appreciate management’s strong commitment in addressing these challenges and welcome comments to our assessment.

Attachment

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<sup>1</sup> The Reports Consolidation Act of 2000, § 3, Pub. Law 106-531 (amending U.S.C. § 3516).



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### Records Management

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

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

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

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

FLRA has worked diligently toward compliance with the records management directive by continuing to implement an electronic records system as well as policies and procedures to properly handle FLRA files and records. Management continues to provide employees and contractors annual mandatory Records and Information Management training. These are excellent steps forward in FLRA’s effort to comply with records management standards. In FY 2022, FLRA did not receive the funding necessary to comply with the 100 percent electronic files by December 2022, per M-19-21. If FLRA receives the requested funds in FY 2023, it is imperative that a complete oversight or governance process be established for the remaining FLRA offices to include developing and transitioning the new case management system (CMS) and fully electronic case files.



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### Progress in Addressing the Challenge

FLRA provided the following management challenge update:

“The FLRA continues to work towards bringing its Records and Information Management (RIM) Program into compliance. During FY 2022, the Agency continued actively complying with Presidential Memoranda: M-19-21. Specifically, during FY 2022, the Agency revised and submitted the FLRA Records Schedules to NARA for approval. The benefit of revising the records schedules was to provide mandatory instructions ("disposition instructions") to all FLRA staff regarding how to maintain the Agency's operational permanent and temporary records. The records schedule constitutes FLRA's official policy for documents and information retention and disposal of records. In alignment with the RIM program, we also added a RIM webpage and content to the FLRA intranet page. The RIM webpage and content will be reviewed annually and updated with new records management guidance and procedures.

Additionally, FLRA continued its annual computer-based Records and Information Management training for all FLRA employees and contractors that create, receive, access, or use federal records. Each year, we are required to complete and submit three reports: The Senior Agency Official for Records Management (SAORM) Annual Report, a new Federal Electronic Records and Email Management Maturity Model Report, and the annual Records Management Self-Assessment (RMSA). FLRA complied with completing its annual RMSA and submitted the findings to NARA. The self-assessments goal is to determine whether Federal agencies are compliant with statutory and regulatory records management requirements. Since 2019, the Agency has made tremendous strides in improving the Agency RIM Program, as a result the FLRA is still considered a low-risk agency in 2021.

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

- SAORM Annual Report. (This report is not scored).
- RMSA for 2021 score: 100. (We scored perfect based on the questions asked this year. Scores will change based on the questions asked.)
- FLRA previous RMSA scores:
  - 2020- score: 94
  - 2019- score: 77
- Federal Electronic Records and Email Management Report for 2021 scores:
  - Part I Electronic Records Score: 66
  - Part I Electronic Records Maturity Model Score: 3.47
  - Part II Email Score: 18
  - Part II Email Maturity Model Score: 3.6



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- Previous year scores for the Federal Electronic Records and Email Management Report:  
Federal Electronic Records and Email Management Report for 2020 scores:
  - Part I Electronic Records Score: 64
  - Part I Electronic Records Maturity Model Score: 3.37
  - Part II Email Score: 15
  - Part II Email Maturity Model Score: 3Federal Electronic Records and Email Management Report for 2019 scores:
  - Part I Electronic Records Score: 2.74
  - Part II Email Management Score: 2.2

With that said, there remains work to be done. The COVID-19 pandemic has heavily impacted FLRA's ability to meet the M-19-21 1.1 and 1.2 deadline requirements. The FLRA had limited access to their paper copy records in offices. The transition of permanent records to fully-electronic recordkeeping is an ongoing process where FLRA has demonstrated progress by implementing an annual review of the FLRA permanent records. The FLRA has successfully adapted its work environments for remote access due to the COVID-19 pandemic.

Finally, the Agency continues to develop and implement the information technology necessary to support 100% electronic case files, per M-19-21. Unfortunately, the Agency again did not receive its request for additional funding in the FY 2022 enacted budget. As a result, the transition to a new agency CMS linked to achieving 100% electronic case records has been delayed. However, the Agency continues to add funds where possible with any available end-of-year funds to keep the project moving. The Agency is again requesting funds through the FY 2023 budget request and remains hopeful to receive the needed funds to complete this project on time.

As described above, the Agency continues to take steps to address its identified management challenge. We look forward to continuing to work with you on addressing and resolving any outstanding matters, as well as any management challenges identified for FY2023 and beyond.”

### **What Needs to Be Done**

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

### **Key OIG Resources**

- President Memorandum, *Managing Government Records*, signed on November 28, 2011
- OMB Directive M-12-18, *Managing Government Records Directive*, issued August 24, 2012
- OMB/NARA Memorandum M-14-16, which included NARA Bulletin 2014-06, *Guidance on Managing Email* issued September 14, 2014



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- NARA Memorandum, Records Management Priorities for 2017, issued March 15, 2017
- OMB Memorandum M-19-21, *Transition to Electronic Records*, signed on June 28, 2019



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### **Closure of Open Recommendations Outstanding for More Than 1 Year**

The Inspector General Act of 1978, as amended, requires explanations for all audit reports with recommendations open for more than one year. These outstanding recommendations are also reported to the FLRA and Congress in the OIG’s Semiannual Reports to Congress. Since the March 31, 2022 OIG Semiannual Report, the FLRA has closed a significant number of outstanding recommendations which was a culmination of a long-term effort that represents a significant accomplishment. However, at this time, FLRA has four open recommendations outstanding for more than 1 year.

In FY 2020, the OIG presented and agency management concurred with 23 recommendations. In FY’s 2021 and 2022, agency management resolved 19 of the 23 recommendations. The four remaining recommendations are over 2 years old.

In March 2020, the OIG issued a Management Advisory Review of Credit Hours and Premium Pay (MAR-20-03) and made 17 recommendations. In March 2021, the OIG performed a Follow-up Review from the 2020 Credit Hours and Premium Pay (MAR-21-03) and closed 14 of the 17 open recommendations. The OIG made multiple attempts to schedule a follow-up review in FY 2022 and delayed the review at the request of management until calendar year 2023.

On September 8, 2020, the OIG issued a Management Advisory Review of FLRA’s Appointment of Contracting Officer’s Representative (MAR-20-07) and made six recommendations. In May 2022, the OIG performed a follow-up review and closed five of the six open recommendations.

The OIG plans to perform follow-up reviews on the four open recommendations in calendar year 2023.

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

#### **Reports with Corrective Actions Outstanding for more than 1 year**

Report Title	Report Number	Issue Date	Number of Recommendations	Closed	Open
Management Advisory Review of Credit Hours and Premium Pay	MAR-20-03	3/11/20	17	14 <sup>1</sup>	3

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



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Management Advisory Review of FLRA's Appointment of Contracting Officer's Representative	MAR-20-07	9/8/20	6	5 <sup>2</sup>	1
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At this time, FLRA has four recommendations outstanding for more than 1 year. As the OIG continues to issue reports with recommendations, it is critical that the FLRA continue its progress in resolving open findings that are outstanding from prior audits, and design appropriate corrective action plans to implement procedures and address deficiencies, where appropriate. FLRA management should also continuously monitor these plans to ensure timely audit resolution.

### Key OIG Resources

- OIG Report, Follow-up Management Advisory Review on FLRA's Appointment of Contracting Officer's Representatives, May 25, 2022
- OIG Report, Follow-up Review from the 2020 Review of Credit Hours and Premium Pay, March 15, 2021
- OIG Report, Management Advisory Review of FLRA's Appointment of Contracting Officer's Representative (MAR-20-07), September 8, 2020
- OIG Report, Management Advisory Review of Credit Hours and Premium Pay (MAR-20-03), March 11, 2020

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<sup>2</sup> OIG performed a Follow-up Management Advisory Review on FLRA's Appointment of Contracting Officer's Representatives Report MAR-22-05 dated May 25, 2022 closed 5 of the 6 open recommendations.