



Federal Labor Relations Authority

Compliance Plan for OMB Memorandum M-25-21

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Prepared By FLRA AI Task Force

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Introduction to the FLRA

The FLRA is an independent administrative federal agency created by Title VII of the Civil Service Reform Act of 1978, also known as the Federal Service Labor-Management Relations Statute (the Statute), 5 U.S.C. §§ 7101-7135. The Statute allows certain non-postal federal employees to organize, to bargain collectively, and to participate through labor organizations of their choice in decisions affecting their working lives.

The Statute defines and lists the rights of employees, labor organizations, and agencies to reflect the public interest's demand for the highest standards of employee performance and the efficient accomplishment of government operations. *Id.* § 7101(a)(2). Specifically, the Statute requires that its provisions "be interpreted in a manner consistent with the requirement of an effective and efficient Government." *Id.* § 7101(b).

Purpose

The AI in Government Act of 2020 (AI Act) and OMB Memorandum M-25-21, *Accelerating Federal Use of AI through Innovation, Governance, and Public Trust*, direct each agency to submit to OMB and post publicly on the agency's website either a plan to achieve consistency with M-25-21 or a written determination that the agency does not use and does not anticipate using covered Artificial Intelligence (AI). The FLRA is committed to ensuring that the Agency's use of AI is designed, deployed, and used responsibly in advancing its mission. This document outlines how the FLRA plans to satisfy the requirements of M-25-21 and the AI Act that apply to each non-CFO-Act Federal agency.

Driving AI Innovation

Removing Barriers to the Responsible Use of AI

FLRA senior leadership believes that the Agency must be a productive participant in the effort to drive AI innovation and seize the opportunity to apply the best of American AI. To that end, and at the direction of the FLRA Chairman, the Agency has instituted an AI Task Force – which includes high-ranking members of Agency leadership – to investigate and, where appropriate, implement AI solutions to better serve the American taxpayer and the federal community. The charter mission of the task force is threefold, to:

1. *explore ways in which AI can appropriately enhance the effective and efficient performance of the FLRA's functions, from the perspective of both FLRA staff as users of AI and external parties filing matters before the Agency;*
2. *identify risks that AI poses to the reliability and integrity of the FLRA's operations, as well as ways to eliminate or mitigate those risks; and*
3. *examine the technical feasibility and potential cost of incorporating AI into the FLRA's existing IT systems.*

As a small independent agency, financial resources for the implementation of high impact AI remains a significant roadblock, but the FLRA is committed to finding creative and collaborative solutions to fit the needs of its mission.

Sharing and Reuse

Funding and expertise sufficient to thoroughly investigate potential applications, implement high-impact AI solutions with custom code, and ensure comprehensive ongoing risk management have not yet coalesced at the FLRA. For that reason, the Government-wide effort to promote sharing and reuse of AI is of particular interest to small- and micro-agencies like the FLRA. The FLRA AI Task Force remains attentive to efforts from the OMB-led CAIO Council, GSA, USAI.gov, and other collaborative entities, with the hopes that cost-effective solutions can be discovered and applied in service of the FLRA's mission. With the cost of most enterprise-class commercial AI solutions still out of the range of the FLRA current operating budget, the likeliest path to successful implementation, will be the sharing and reuse of larger-agency AI.

AI Talent

The FLRA's AI Task force is actively seeking and encouraging FLRA staff to find and share AI learning opportunities. FLRA leadership is supportive of the knowledge and skills enrichment of current staff to support successful implementation of AI initiatives. In addition, the staff of the Agency's Information Resources Management Division (IRMD) is encouraged and/or required to complete training and keep up to date with advancements in AI technology and governance.

Improving AI Governance

Agency Policies

The FLRA, through the efforts of its AI Task Force, is in the process of reviewing and revising internal agency policies and governance documents to ensure that those policies are in complete alignment with EO 14179 and OMB M-25-21. The FLRA's acquisition policies are also being reviewed and will be revised to ensure compliance with the requirements of both M-25-21 and M-25-22.

Furthermore, the FLRA is currently producing an internal policy for the use of generative AI, influenced largely by the CAIO Council AI Implementation Working Group's guidance. This policy will set the terms for acceptable use of generative AI at the Agency and establish adequate safeguards and oversight mechanisms that allow generative AI to be used by FLRA employees, when appropriate, without posing undue risk.

AI Use Case Inventory

Inventory Generation. The FLRA does not currently use any covered high-impact AI. The AI Task Force, in addition to investigating potential use of AI to support the FLRA's mission, is also in the process of querying all Agency employees to discover any consolidated, low-impact AI uses. In exploring potential use cases, the AI Task Force has collected input from every component and office of the Agency. The FLRA Chief Artificial Intelligence Officer (CAIO) – in collaboration with the Senior Agency Official for Privacy (SAOP) and the AI Task Force – will evaluate that information and publish all applicable AI instances in the Agency's AI Consolidated Use Case Inventory. This process allows the FLRA to assess whether the Agency's uses of AI are in accordance with current policies and legal requirements, including OMB M-25-21 and M-25-22.

Continuous Updates. The CAIO will update the AI Use Case Inventory on a continuing basis, including when an additional use of AI is reported by Agency personnel or is otherwise evident (for example, from a new technology being acquired through the Agency's procurement process), and when discontinuation of an AI use is reported by Agency personnel or is otherwise evident (for example, from cancellation of a subscription service).

Fostering Public Trust in Federal Use of AI

Determinations of Presumed High-Impact AI

As described in OMB memorandum M-25-21, "AI is considered high-impact when its output serves as a principal basis for decisions or actions that have a legal, material, binding, or significant effect on rights or safety." More specifically, M-25-21 defines "high-impact AI" as follows:

AI with an output that serves as a principal basis for decisions or actions with legal, material, binding, or significant effect on:

1. an individual or entity's civil rights, civil liberties, or privacy;
2. an individual or entity's access to education, housing, insurance, credit, employment, and other programs;
3. an individual or entity's access to critical government resources or services;
4. human health and safety;
5. critical infrastructure or public safety; or
6. strategic assets or resources, including high-value property and information marked as sensitive or classified by the Federal Government.

Additionally, the FLRA considers Appendix 6 of OMB M-25-21, which provides further guidance and examples, when determining whether an AI use-case qualifies as high-impact.

At present, the FLRA has not implemented, and is not in the process of implementing, any high-impact AI applications. The FLRA AI Task Force, however, in preparation for future funding or discovered cost efficiencies, is considering all possible applications of AI - including those classified as "high-impact" - to enhance its operations. A comprehensive evaluation of a broad swath of AI solutions – including an assessment of risk management,

security, cost/benefit, and other factors – will allow the FLRA to maintain a list of priority initiatives, should funding or cost-reductions be discovered.

Implementation of Risk Management Practices and Termination of Non-Compliant AI

Current FLRA AI governance is based on both previous OMB guidance regarding AI, and on the Agency's internal risk-management strategies, policies, and procedures. The Agency plans to make major revisions to its risk-management practices regarding AI and will use the work of the CAIO Council's AI Assurance Working Group as a roadmap for its strategy.