



Thirty-three 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 2013**

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U.S. FEDERAL LABOR RELATIONS AUTHORITY

BACKGROUND AND MISSION

The U.S. Federal Labor Relations Authority (FLRA) is *the* sole agency responsible for establishing policies and guidance regarding the labor-management relations program for 1.6 million non-Postal, Federal employees worldwide, approximately 1.1 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 real genesis, however, dates from the issuance of Executive Order 10988 by President Kennedy in 1962. Executive Order 10988 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 the Order. Executive Order 11491, as amended, was the basis for President Carter's proposal to Congress to create the Federal Labor Relations Authority as an independent agency.

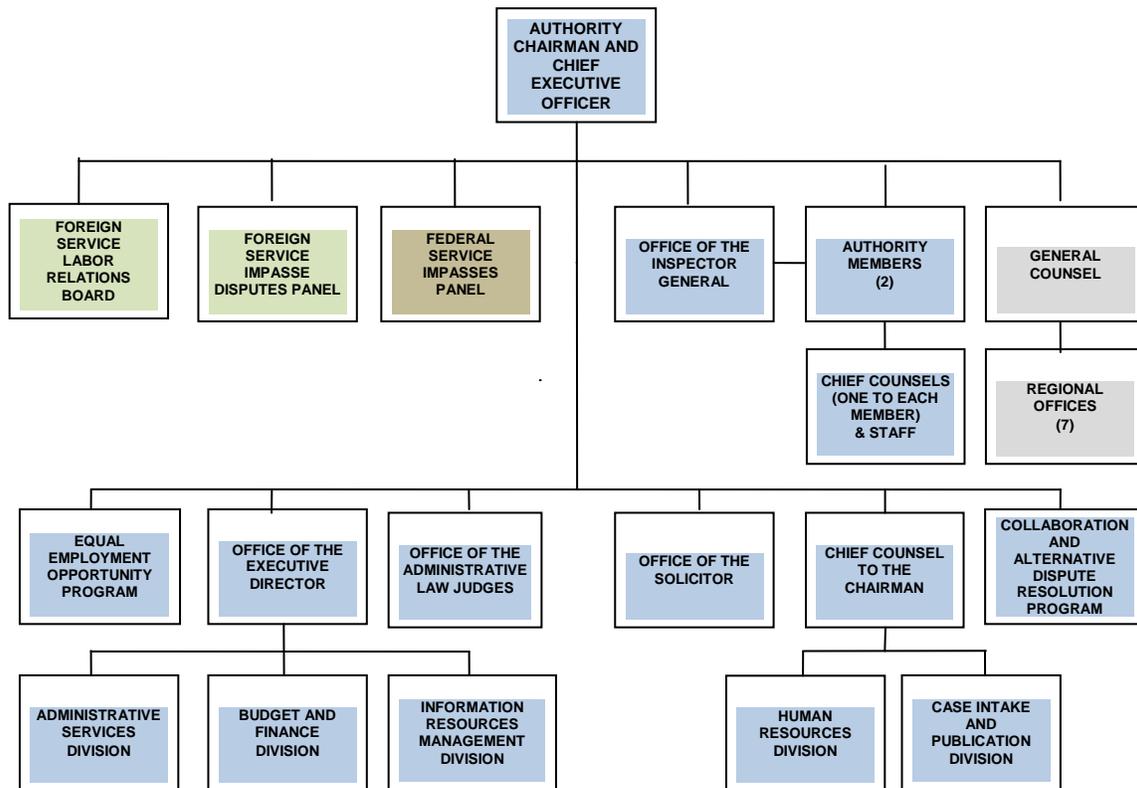
The Statute protects the rights of Federal employees to form, join, or assist a labor organization or to refrain from such activity freely and without fear of penalty or reprisal. These rights include acting for a labor organization as a representative and, in that capacity, presenting the views of the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

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 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 the timely, quality resolution of disputes, is essential for program performance government-wide. If a labor-management dispute in another agency remains unresolved for too long, the mission accomplishment in that agency 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 five-year, staggered terms and one Member is designated by the President to serve as Chairman, who 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 the decisions of Regional Directors in representation disputes over union elections and unit determinations.

The Authority appoints Administrative Law Judges (ALJs) to hear and prepare decisions in cases involving alleged ULPs, 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 the 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 Authority in court proceedings. Parties aggrieved by certain Authority decisions may institute an action for judicial review within 60 days after the decision issues. The Authority may also seek enforcement of its orders, temporary relief or restraining orders in the appropriate U.S. court of appeals or district court.

The Office of the General Counsel

Appointed for a five-year term by the President with the advice and consent of the Senate, the General Counsel has independent Statutory responsibility for investigating ULP charges and for filing and prosecuting ULP complaints. Pursuant to the Statute, the General Counsel has direct authority over, and responsibility for, all employees in the Office of the General Counsel (OGC), including those in the regions. The Regional Offices, on behalf of the General Counsel, investigate and resolve alleged ULPs, file and prosecute ULP complaints, and provide Statutory training and alternative dispute resolution (ADR) services. In addition, through delegation by the Authority, the Regional Offices process representation petitions and conduct secret ballot elections.

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

[Atlanta Regional Office](#)

[Boston Regional Office](#)

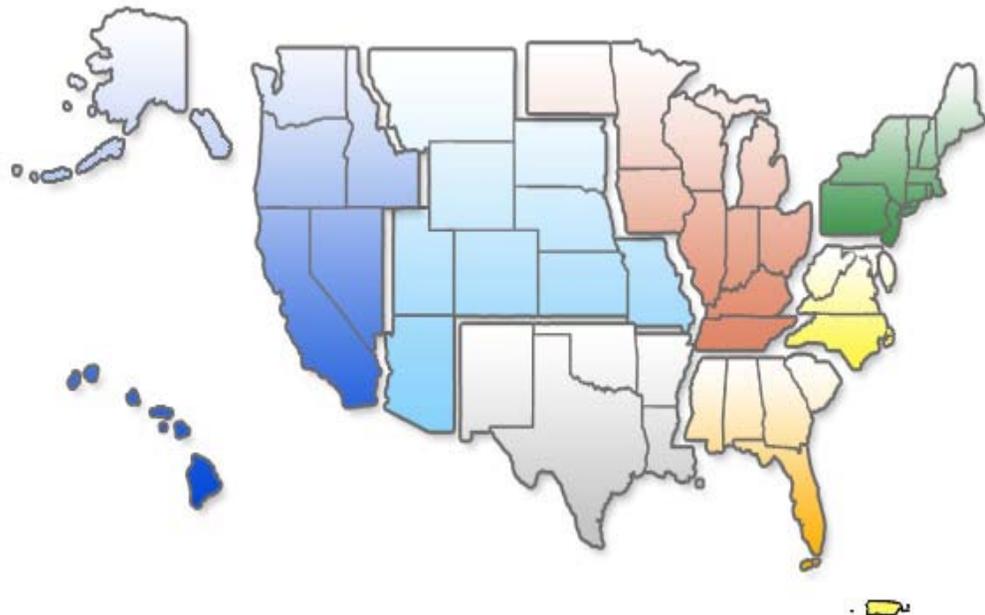
[Chicago Regional Office](#)

[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 and/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 still are 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 Federal government faces significant financial challenges today, requiring major changes that will have a significant impact on the Federal workforce as well as the effectiveness and efficiency of agency operations. These challenges also present an opportunity for Federal agencies and Federal employees and their representatives to realign, re-tool and reassess how they do their work to bring about effective changes within government. In addressing these challenges, the FLRA, which has demonstrated a significant, marked improvement in the delivery of its services that have a direct bearing on how well and quickly any improvements in government operations can be effectuated, is an essential component to bringing about real change within the Federal government. These adjustments and changes will inevitably generate representation cases, and collective-bargaining may be necessary for the implementation of the changes.

President Obama's call for the reorganization of Federal agencies – described as the most aggressive reorganization of the Federal government in at least half a century – will also undoubtedly involve changes in the way Federal agencies deliver services and will include merging and consolidating operations, moving offices, implementing new technologies, and other changes that have to be resolved expeditiously to ensure that high-quality services can continue to be provided to the American public. In January 2012, for example, the President sought authority to reorganize Federal trade and business-related functions within the U.S. Department of Commerce and other organizations. The FLRA's services will be critical in facilitating orderly, efficient and effective change within the Federal government.

The FLRA's rebuilding efforts since FY 2009, which have been fueled by the effective management of resources and the hard work and dedication of agency leadership and employees, are showing real, measurable results. FY 2011 was yet another year of improved performance

for the FLRA, including sustaining the dramatic and unprecedented increases in employee satisfaction and morale that were reported in FY 2010. These accomplishments provide solid evidence that the FLRA is on the right track in emphasizing mission accomplishment and performance improvement through transparency, employee engagement, and collaboration. Moreover, the FLRA continues to improve its efficiency by engaging in new and innovative ways to conduct business, successfully holding the first-ever large scale electronic election involving 43,000 Transportation Security Administration employees, and in collaboration with the U.S. Department of Veterans Affairs, developing and launching web-based interactive training on Executive Order 13522, *Creating Labor-Management Forums to Improve Delivery of Government Services*, and bargaining over 5 U.S.C. § 7106(b)(1) matters, allowing the agency to deliver critical training across the government to employees right at their desks at no cost.

With respect to its mission accomplishments, the FLRA again made vast improvements in providing customers with the timely, quality dispute resolution services that they deserve. In this respect, the Authority issued 232 merits decisions in FY 2011, beating FY 2009 and FY 2010 by 20 decisions and ten decisions, respectively – more decisions than in any year since FY 2003. Since February of FY 2009, the Authority has reduced its pending case inventory by 77 percent – from 394 to 93, its overage case inventory by 87 percent – from 269 to 34, and the average age of pending cases by 116 days or 43 percent – from 270 to 154 days.

Furthermore, the OGC increased its productivity in FY 2011 by 21 percent over FY 2009. Beginning in FY 2010, the OGC eliminated a backlog of more than 340 complaint cases and more than 800 appeals, and in FY 2011, the office closed more than 4,400 ULP cases and held 20 trials. The OGC also closed close to 300 representation cases and conducted 35 elections.

An example of the critical importance of the work performed in the OGC is playing out in Federal agencies throughout the government right now – all Federal agencies, and particularly the U.S. Department of Defense, are restructuring to bring efficiency to their operations. These reorganizations often result in disputes over which union represents which bargaining unit employees. For example, the Department of the Navy conducted a reorganization that affected over 1,400 nonprofessional employees who were represented by different unions in over 25 bargaining units. Through elections quickly conducted by the OGC, three unions became the exclusive representatives of three bargaining units of employees. Without timely OGC intervention, the agency would have been bogged down, potentially for years, in representation disputes.

In addition, Customs and Border Protection recently opened and staffed (with bargaining unit employees) a Forward Operating Base close to the Mexican border in an area known for illegal and violent activity, without providing the union prior notice and an opportunity to bargain about the impact and implementation of the decision to open the base. Through OGC intervention in the case, the dispute was settled. A delay in resolution of this bargaining dispute could have impeded the agency's ability to continue performing its mission, which is critical to national security along the border.

The OALJ also resolved cases at an expeditious pace with more than 500 cases on their docket in the last two years. Of significant import is that the ALJs had to hold fewer than 50 trials over the

last two years, due to their considerable settlement efforts that resulted in cases being resolved without a trial. For instance, the OALJ's settlement judge recently assisted the Bureau of Prisons in resolving a dispute about overtime and back pay. The agency was accused of failing to comply with an arbitration award that required it to start paying overtime for certain positions and to provide back pay to those who previously worked such overtime. The settlement judge was able to assist the parties in the negotiation of an agreement that reduced the number of positions to which overtime had to be paid. This saved the agency the cost of paying overtime for the eliminated positions and did so under terms agreed to by the parties, rather than imposing a resolution upon them in a judicial decision. The parties and the FLRA also avoided the cost of fully litigating the matter before an ALJ in a due process hearing.

In addition, the FSIP – which continues to experience increased case filings – has also showed improved performance outcomes. In particular, over the last two years, the FSIP closed more cases each year than it had in FY 2008 and FY 2009, and with its commitment to obtaining settlements rather than issuing decisions, returned the FSIP to its original guiding philosophy that the voluntary settlement of bargaining impasses is the most effective and efficient form of dispute resolution.

In a recent case involving the Social Security Administration (SSA), for example, the FSIP conducted a mediation-arbitration proceeding to resolve the parties' impasse over the floor plan for the SSA's newly-relocated Ironton Field Office. With the Panel's assistance, the parties reached a voluntary settlement of their dispute. Because of the Panel's prompt action in resolving the impasse, the SSA was able to submit the floor plan to the General Services Administration in time to prevent taxpayers from having to pay rent at two locations while construction of the facility was being completed. Moreover, to date, the FSIP has two other SSA field office cases involving the same scenario where prompt Panel action is expected to prevent unnecessary taxpayer expenditures.

In FY 2011, the FLRA's Collaboration and Alternative Dispute Resolution Office (CADRO) worked with parties to resolve or narrow their disputes in pending cases. As a result, close to 20 pending cases were expeditiously resolved with no further need for litigation, getting the parties back to conducting the business of government. Most noteworthy are a number of cases that involved complex, long-standing disputes that the parties had expended resources over for many years, and were able to resolve with the assistance of the CADRO.

Most recently, the CADRO assisted the Federal Protective Service to quickly resolve a critical training issue concerning qualifications to carry a firearm. The agency and union representatives had been unsuccessfully negotiating this issue for close to two years. In little over one month from the time the agency and labor representatives first met with the CADRO, the parties agreed on the training issue, which affected how law enforcement officers will protect the public and protect high-profile officials. In another case involving a large U.S. military installation, a CADRO intervention permitted an agreed-upon-enhancement of installation security practices. The case was completed only sixteen days after the parties first met with the CADRO representative. The bargaining dispute first arose in the workplace some eight months before the CADRO intervention.

Further, the FLRA will continue its deep involvement in the successful implementation of Executive Order 13522. In fact, the FLRA was identified as a critical resource for both labor and management in the Executive Order. The FLRA, in cooperation with the Federal Mediation and Conciliation Service, has assisted agencies across government in implementing the Order and setting up their forums, by providing training that has been repeatedly praised by the National Council on Federal Labor-Management Relations. Serving as this critical resource, the FLRA is providing, and will continue to provide, training, materials, and facilitation to labor-management forums across the Federal government and agencies, including those participating in section 7106(b)(1) bargaining pilots under section 4 of the Order. The FLRA will continue supporting forums and pilots through education on interest-based bargaining techniques and consensus decision-making and by providing facilitation services to ensure their success. These efforts are consistent with the FLRA's initiatives to reduce litigation and its related costs throughout the government by assisting parties to resolve their disputes through collaboration and other ADR techniques.

The FLRA also built upon its leadership role in labor-management relations by delivering more than 330 training, outreach, and facilitation sessions in FY 2011 to nearly 12,000 practitioners. The FLRA has also re-engaged with the labor-management community by issuing numerous press releases, conducting town halls, and holding focus groups on agency processes and procedures. Among the external initiatives that will be important in FY 2013 is training and education for labor and management representatives and others, including arbitrators. Indeed, requests for training are received daily in all the FLRA's components, and this demand is expected to continue if not increase. Having the capacity to provide training on rights and responsibilities under the Statute as well as other matters, such as ADR, reduces the number and complexity of labor-management disputes submitted to the FLRA and otherwise enhances government performance. The FLRA will also continue to partner with Federal agencies to identify training needs and resources to meet those needs.

In 2010, the FLRA was named the *Most Improved Small Agency* by the Partnership for Public Service. Building upon this success in 2011, the FLRA again placed among the top of the *Most Improved Small Agencies*, moving from the #1 ranking that it captured in 2010 to the #2 ranking for 2011. Also in 2011, the FLRA captured the #7 small agency ranking in the *Best Places to Work in the Federal Government*, making a significant jump from its #20 ranking held in 2010. Identified as an "agency on the rise," the FLRA built upon its 2010 successes – where it achieved a dramatic and unprecedented improvement of more than 250 percent – recording an additional twelve percent increase in its *2011 Best Places to Work* score. The FLRA's achievements are particularly noteworthy given that just two years ago the agency placed last in the 2009 rankings of small agencies. Most notable for 2011 are the FLRA's rankings for certain "Best in Class" categories – taking 2nd, 3rd and 4th place in Teamwork, Effective Leadership, and Employee Skills/Mission Match, respectively. FLRA employees' response rate was 75 percent – significantly greater than the government-wide rate of 49 percent. The agency increased in all four human capital indices, scoring 76 percent in leadership and knowledge management, 66 percent in talent management, 71 percent in results-oriented performance culture, and 74 percent in job satisfaction – each exceeding the government-wide average. The FLRA analyzes the survey results each year to maintain agency strengths, taking steps to improve areas where there are relative weaknesses, and to evaluate employee satisfaction levels.

Over the last two and a half years, the FLRA has taken substantial steps to address the serious human capital, performance management, and employee morale issues that had developed over many years at the FLRA. The recent dramatic increases in positive responses reflects both the commitment of agency leadership to managing the FLRA with transparency and accountability and engaging employees at all levels, and the commitment and dedication of all FLRA employees. Consistent with the significant increase in employee morale and satisfaction is the significant, marked improvement in the FLRA's mission performance and delivery of services to its customers.

Moving forward, the FLRA will continue to take steps necessary to increase confidence in the agency's leadership, its management, and staff to accomplish its important mission of providing guidance in resolving labor-management disputes in the Federal sector. The FLRA's growth in staffing over the past three years – increasing from 114 full-time equivalents (FTEs) in FY 2009 to 131 in FY 2011 – is significant yet small in comparison to the more than 200 FTEs that performed the mission a decade ago. Furthermore, the FLRA's significant performance improvements over the past three years – reducing the Authority's overall and overage inventory by 77 percent, increasing productivity in the OGC by 21 percent, and resolving three quarters of FSIP's caseload through voluntary settlements – demonstrates that our small agency can do big things with even modest increases in staffing and resources. A renewed and revitalized FLRA depends, not only on funding, but also creativity in using existing resources as well as vigorous dedication to improving program performance, agency management, and employee morale and satisfaction.

ANNUAL PERFORMANCE PLAN

STRATEGIC AND PERFORMANCE PLANNING FRAMEWORK

The FLRA's performance planning framework is based on the FY 2010 – 2015 Strategic Plan, and is supported by the Annual Performance Plan. The FLRA Performance Plan reflects the agency's commitment to establishing measures that will enable it to assess performance outcomes, align resources, and effectively identify staffing and training needs for future years. To accomplish its mission, the FLRA has established the following four strategic goals.

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 agency seeks to achieve its strategic goals primarily through the timely review and disposition of cases. The FLRA supplements these efforts with a focus on reducing litigation and its attendant costs by helping the 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 2013 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 quality and timeliness of case dispositions further the FLRA's critical role in facilitating orderly, efficient and effective change within the Federal government. The agency affects how well and quickly improvements in government operations can be implemented.

Changes within the Federal government inevitably affect employee working conditions and implicate bargaining rights. Unless management and labor can timely reach agreements or, failing that, have their disagreements resolved expeditiously, the mission accomplishment in that agency may suffer. This is particularly relevant now as Federal agencies are making significant adjustments and changes in how they perform their missions in order to meet necessary reductions in response to the current budget environment. Moreover, the core purpose of the Federal Service Labor-Management Relations Statute (the Statute) is to promote collective bargaining as a means of fostering improved employee performance and government operations. Failure by the FLRA to process cases in a timely manner adversely affects employee performance and government operations.

Alternative Dispute Resolution

The FLRA established the Collaboration and Alternative Dispute Resolution Program to place greater emphasis on the use of ADR to resolve workplace disputes. The program offers ADR services in pending unfair labor practice (ULP), representation, negotiability, and bargaining impasse disputes at every step – from investigation and prosecution to the adjudication of cases and resolution of bargaining impasses. Throughout the years, the Collaboration and Alternative Dispute Resolution Office (CADRO), as well as the Office of the General Counsel (OGC) and the Office of the Administrative Law Judges (OALJ), have conducted on-site and telephone interventions in hundreds of cases pending before the FLRA. In over 85 percent of the cases, CADRO interventions result in either the full resolution of the underlying disputes or withdrawal of the pending case. In addition, the OGC has placed a renewed emphasis on resolving ULP and representation disputes, both before and after charges and petitions are filed. The OGC's ULP regulations were amended to include references to the office's encouragement of pre-and post charge settlements, and field agents have been trained in ADR techniques to facilitate amicable resolution of disputes between the parties.

Information Technology

The agency makes extensive use of automation and technology systems to promote an efficient and effective FLRA and to meet its timeliness goals. Continuing the progress started in FY 2009 on the new cloud-based Case Management System (CMS), the FLRA migrated away from Oracle, the legacy CMS, and implemented the new CMS. The agency will experience a savings by reducing storage and infrastructure, eliminating Oracle licenses, and eliminating the need for an Oracle database administrator. Additionally, the agency identified and procured a second cloud-based solution in FY 2011 to track and report Freedom of Information Act requests. The FLRA will continue to identify other cloud solutions that are both secure and cost-effective to replace costly existing systems.

Consistent with the Telework Enhancement Act of 2010, the FLRA is embarking on a program to increase telework beyond its current 65 percent participation rate. Mobile employees require a more agile IT support system. The initiative to move information systems to the cloud will ensure that agency personnel and customers have anywhere/anytime access to not only the resource but also to the enhanced IT support provided by the cloud vendor. This will facilitate

teleworking capabilities, reduce costs, and continue to reinforce the ability of the FLRA to meet the expectations of its customers.

In addition, in FY 2011, the OGC began to conduct representation elections that provide Federal employees remote access voting. The FLRA also completed transition from the General Services Administration's FTS2001 contract for telecommunication services to the new Network contract, and the agency will begin to experience a savings in related costs in FY 2012. The FLRA is also in the process of implementing Homeland Security Presidential Directive-12 to support secure physical and logical access.

The FLRA continues to improve its website tools and resources for the public. For example, the agency has improved its on-line search capability for Authority manuals, decisions, and guidance. The Authority posts decisions on the FLRA website within 24 hours, reducing the need for costly, voluminous printed manuals. In FY 2012, the FLRA will make available all decisions from the OALJ.

With respect to cybersecurity and Federal Information Security Management Act compliance, the FLRA has implemented the Trusted Internet Connection and fully implemented a mandatory set of processes and system controls to ensure the confidentiality, integrity, and availability of system-related information and information resources. This includes continuous monitoring, development, and enforcement of agency information assurance policies, and continuing mitigation of security issues and threats.

Human Capital

The FLRA and the Union of Authority Employees are working together through its Labor-Management Forum (the forum) to continue to focus on improving all aspects of employee work life, including: providing workplace flexibilities, such as development and implementation of a new alternative work schedule policy; developing a new performance management system; increasing access to telework; holding a health benefits fair; sharing work experiences and stimulating career interests through a "bring your child to work" day; sponsoring a blood drive; establishing collaborative workgroups to address workplace issues; and increasing internal communication between and among employees at all levels. The forum also began work in FY 2011 on recognizing diversity through special emphasis programs and updating employee awards program policies.

With respect to employee development and succession planning, the agency continued its commitment to develop employees through developmental details in the OGC and leadership development and skills-based training programs. The agency also began an initiative to identify the core competencies for its mission-critical positions and conduct a training needs assessment to assist in future planning. To supplement training, the agency began an educational series with briefings from sister agencies, FLRA components and offices, and external human resources, financial, and communications professionals.

The agency contracts with the U.S. Department of Health and Human Services to provide basic occupational health and wellness services, on-site monthly health visits to FLRA Headquarters,

and access to an employee assistance program (EAP) for employees throughout the country. The EAP assists the agency in addressing productivity issues by providing both prevention and intervention for employee problems. The FLRA has also leveraged the use of technology in human capital management, converting the entire agency from paper records to electronic Official Personnel Files and implementing USA Staffing, the Office of Personnel Management's web-based hiring system.

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

The General Counsel has responsibility for the investigation, settlement, and prosecution of ULP charges. All ULP proceedings originate with the filing of a charge in a Regional Office by an employee, labor organization, or agency. Once a charge has been filed, Regional Office staff will investigate the charge to determine if 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 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, DC. If the dismissal is upheld, the case is closed. The Authority has appointed Administrative Law Judges (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	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	2,300	1,237	1,587	1,811	1,453	1,177
Charges filed	<u>3,572</u>	<u>3,954</u>	<u>4,398</u>	<u>4,094</u>	<u>4,176</u>	<u>4,260</u>
Total caseload	5,872	5,191	5,985	5,905	5,629	5,437
Charges withdrawn/settled	2,648	2,455	3,141	3,425	3,425	3,425
Charges dismissed	1,941	1,075	751	812	812	812
Complaints issued	<u>46</u>	<u>74</u>	<u>282</u>	<u>215</u>	<u>215</u>	<u>215</u>
Total cases closed	4,635	3,604	4,174	4,452	4,452	4,452
Cases pending, end of year	1,237	1,587	1,811	1,453	1,177	985

OALJ	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	25	0	67	54	72	90
Cases received from the OGC	<u>46</u>	<u>74</u>	<u>282</u>	<u>234</u>	<u>234</u>	<u>234</u>
Total caseload	71	74	349	288	306	324
Settlements before hearing	59	7	275	191	191	191
Settlements during hearing	0	0	0	0	0	0
Cases closed by decision	<u>12</u>	<u>0</u>	<u>20</u>	<u>25</u>	<u>25</u>	<u>25</u>
Total cases closed	71	7	295	216	216	216
Cases pending, end of year	0	67	54	72	90	108

Authority	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	36	32	14	14	6	6
Exceptions filed	<u>11</u>	<u>1</u>	<u>18</u>	<u>17</u>	<u>14</u>	<u>14</u>
Total caseload	47	33	32	31	20	20
Cases closed procedurally	9	0	9	13	7	7
Cases closed based on merits	<u>6</u>	<u>19</u>	<u>9</u>	<u>12</u>	<u>7</u>	<u>7</u>
Total cases closed	15	19	18	25	14	14
Cases pending, end of year	32	14	14	6	6	6

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
48%	71%	49%	54%	55%	55%

The FY 2012 performance target for this measure has been revised downward from 57 percent to 55 percent. The FY 2012 President's Budget for the FLRA included funding for two additional attorney positions in the OGC. The agency's FY 2012 enacted level, however, does not provide for the addition of these two positions.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
19%	2%	31%	97%/100%	90%/100%	90%/100%

In FY 2011, an additional target was established to measure the percentage of decisions on appeal issued within 120 days (100 percent).

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	95%	90%	90%

This measure was established in FY 2011, as a consolidation of two previous 90-day measures into one of 180 days.

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

Results				Targets	
FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	5%	18%	31%	50%	80%

This measure and the associated targets for FY2009 through FY2012 were established in the Authority’s Corrective Action Plan (CAP).

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, labor organization, or 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 issue a Decision and Order determining the appropriate unit, directing an election, dismissing the petition, or making other disposition of the matter. The Regional Director’s Decision and Order is final unless an application for review is filed with the Authority.

OGC	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	156	140	104	102	82	75
Petitions filed	<u>289</u>	<u>275</u>	<u>278</u>	<u>267</u>	<u>280</u>	<u>294</u>
Total caseload	445	415	382	369	362	369
Petitions withdrawn	132	142	113	126	126	126
Cases closed based on merits	<u>173</u>	<u>169</u>	<u>167</u>	<u>161</u>	<u>161</u>	<u>161</u>
Total cases closed	305	311	280	287	287	287
Cases pending, end of year	140	104	102	82	75	82

Authority	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	4	3	5	6	6	6
Applications for review	<u>14</u>	<u>17</u>	<u>15</u>	<u>12</u>	<u>12</u>	<u>12</u>
Total caseload	18	20	20	18	18	18
Cases closed procedurally	1	1	1	0	0	0
Cases closed based on merits	<u>14</u>	<u>14</u>	<u>13</u>	<u>12</u>	<u>12</u>	<u>12</u>
Total cases closed	15	15	14	12	12	12
Cases pending, end of year	3	5	6	6	6	6

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	60%	65%	60%	60%	60%

This performance measure was established in FY 2009 to consolidate three previous measures. The FY 2012 target for this measure has also been revised downward – from 62 percent to 60 percent – based on the agency’s FY 2012 enacted appropriation. The FY 2012 President’s Budget requested additional funding to establish two new attorney positions in the OGC, but the enacted level did not provide for these positions.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	100%	100%	100%	100%

This measure was established in FY 2010 to be consistent with the time limitation provided for in the Statute.

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

Authority	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	216	298	247	173	66	35
Exceptions filed	<u>126</u>	<u>157</u>	<u>134</u>	<u>110</u>	<u>110</u>	<u>110</u>
Total caseload	342	455	381	283	176	145
Cases closed procedurally	12	43	31	22	12	12
Cases closed based on merits	<u>32</u>	<u>165</u>	<u>177</u>	<u>195</u>	<u>129</u>	<u>116</u>
Total cases closed	44	208	208	217	141	128
Cases pending, end of year	298	247	173	66	35	17

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

Results				Targets	
FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	22%	30%	33%	50%	80%

This measure and the associated targets for FY 2009 through FY 2012 were established in the Authority CAP.

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	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	43	51	39	22	15	14
Petitions filed	<u>38</u>	<u>43</u>	<u>52</u>	<u>39</u>	<u>39</u>	<u>39</u>
Total caseload	81	94	91	61	54	53
Cases closed procedurally	22	41	46	33	31	31
Cases closed based on merits	<u>8</u>	<u>14</u>	<u>23</u>	<u>13</u>	<u>9</u>	<u>9</u>
Total cases closed	30	55	69	46	40	40
Cases pending, end of year	51	39	22	15	14	13

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	6%	17%	29%	50%	80%

This measure and the targets for FY 2009 through FY 2012 were established in the Authority's CAP.

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 Federal Service Impasses Panel (FSIP or the Panel) approves the procedure; seek the services and assistance of the Federal Mediation and Conciliation Service; or seek the assistance of the Panel in resolving the negotiation impasse, only after the previous attempts have failed.

FSIP	2008	2009	2010	2011	2012 Est.	2013 Est.
Cases pending, start of year	23	22	69	36	53	78
Impasses filed	<u>111</u>	<u>136</u>	<u>143</u>	<u>152</u>	<u>160</u>	<u>168</u>
Total caseload	134	158	212	188	213	246
Cases closed	<u>112</u>	<u>89</u>	<u>176</u>	<u>135</u>	<u>135</u>	<u>135</u>
Cases pending, end of year	22	69	36	53	78	111

The performance measures for the FSIP were completely revised in FY 2011 to concisely set forth timeliness targets for the Panel’s three most important categories of case disposition. The FSIP’s performance targets for FY 2012 have each been adjusted downward by ten percent to reflect anticipated performance at the FY 2012 enacted funding level. In addition to the requested staffing increase in the OGC, the FY 2012 President’s Budget included funding for one additional attorney position in the FSIP. The enacted level did not provide for the addition of this position.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	64%	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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	79%	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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	65%	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 significantly expanded its training, outreach, and facilitation activities in 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 relationship. This includes interest-based conflict resolution and intervention services in pending ULP cases, representation cases, arbitration cases, negotiability appeals, and impasse bargaining disputes. The agency also provides facilitation and training to help labor and management develop collaborative relationships. In FY 2012, many of the FLRA’s training programs will also be available as web-based training modules, bringing educational tools and resources directly to the agency’s customers at their desks to further assist them in resolving labor-management disputes.

This performance goal was new for FY 2011 and was established to emphasize not only the importance of backlog reduction efforts in the Authority, but also using collaboration and ADR techniques along with other training, outreach, and facilitation services to assist parties in minimizing and resolving labor-management disputes. The goal encompasses all three FLRA components.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	87%	85%	85%

The target for FY 2012 has been adjusted upward from 55 percent to 85 percent, based on actual performance in FY 2011. Eighty-seven percent of the ULP cases in FY 2011 in which an offer of ADR services was accepted by the parties were either partially or totally resolved. This level of performance is essentially expected to continue in FY 2012 and FY 2013.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	88%	80%	80%

The FY 2012 target for this measure has also been adjusted upward from 70 percent to 80 percent, based on actual FY 2011 performance. This performance level is anticipated to essentially continue in FY 2012 and FY 2013.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	93%	85%	85%

Based on actual performance in FY 2011, the FY 2012 target for this measure has been adjusted upward as well, from 50 percent to 85 percent. Ninety-three percent of the representation cases in FY 2011 in which an offer of ADR services was accepted by the parties were either partially or totally resolved. The 93 percent success rate, however, is based on a very small sample of cases. Accordingly, some decrease is expected.

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	100%	50%	50%

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

Results				Targets	
FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	87%	80%	80%

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 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	29%	30%	25%

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

Results				Targets	
FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	332	175	175

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

Results				Targets	
FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
N/A	N/A	N/A	11,975	5,000	5,000

Much of the demand for training, outreach, and facilitation activities in FY 2011 was for overview training on instituting forums and pre-decisional involvement under Executive Order 13522. Since this training is now available through a web-based training course, and since forums should be well-established by FY 2013, the FLRA expects that the focus of its training, outreach, and facilitation services in FY 2013 will be on supporting the successful operation of the forums and further developing the skills for a successful labor-management relationship. In addition, by FY 2013, the FLRA expects to have additional web-based training courses available to the parties – including comprehensive arbitration and statutory training – that has otherwise been provided in-person. The targets for both training measures reflect in-person training only,

and as such, are lower than the results for FY 2011 as the agency increases the delivery of its training through no-cost, web-based services.

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

The redesign of the Case Management System (CMS) was initiated in FY 2009. To date, the case management modules for each component have been delivered. While there is still more work to complete on e-filing, the new CMS is now in use throughout the agency.

In FY 2011, work began on the e-filing portion of the CMS, with the FLRA delivering the majority of the customer registration and FSIP e-filing capability. The agency will focus on delivery of e-filing capability for the remaining components in FY 2012. The remaining two e-filing modules, for the OGC and the Authority, will be completed by the end of FY 2012. Once these final modules are implemented, the FLRA will be able to begin accepting filings electronically.

Also in FY 2012, the FLRA will begin to enhance the CMS to provide for an end-to-end electronic case file. Beginning in FY 2013, the agency will conduct a pilot program to provide attorneys with the capability to receive, process, and track the status of all cases electronically. The agency has revised both FY 2012 targets due to unanticipated delays in implementing e-filing because of difficulty in obtaining necessary technical support.

Measure 7.1: The percentage of cases filed electronically with the FLRA.	
Results	
FY 2008	N/A
FY 2009	Awarded a contract for CMS development using the cloud solution, QuickBase.
FY 2010	Implemented the new CMS for all three FLRA components.
FY 2011	Began developing an electronic filing solution. Completed development of customer registration and FSIP e-filing capability.
Targets	
FY 2012	Complete development of Authority and OGC e-filing capability. Begin testing e-filing capability with customers.
FY 2013	25% of all cases will be filed electronically.

Measure 7.2: The percentage of cases processed electronically end-to-end.	
Results	
FY 2008	N/A
FY 2009	N/A
FY 2010	N/A
FY 2011	N/A
Targets	
FY 2012	Enhance the CMS to provide the structure that supports end-to-end electronic case processing.
FY 2013	Conduct a pilot program in support of end-to-end case processing.

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

The FLRA relies on its employees, supervisors, and managers to develop and implement policies and operational processes to achieve its strategic goals. To this end, the agency has partnered with its labor-management forum to improve work-life balance, employee recognition, and career development programs. In FY 2010, the FLRA established a performance goal regarding use of agency human capital, and developed and implemented a Human Capital Strategic Plan aimed at those areas identified for improvement. Consistent with the plan, the FLRA strategically recruits and develops its employees to make sure it has the right people with the right skills in the right jobs.

As of January 31, 2012, approximately 25 percent of the FLRA’s employees were eligible for retirement. Consequently, the FLRA expects, beginning in FY 2012, a wave of retirements. This highlights the agency’s need to engage in succession planning, as well as employee and leadership development, which the agency handles through developmental details, student internships, and course offerings. In FY 2011, the FLRA began work on the foundational aspects of workforce and succession planning, developing core competencies for critical positions. Using these competencies, the FLRA developed a training needs assessment. The assessment will be conducted in FY 2012 and the resulting data will provide the basis for targeted Individual Development Plans and employee development programs and training. The agency believes succession planning will be an on-going effort required to meet program performance and mission needs, as reflected in the agency’s target for FY 2012 to enhance developmental offerings such as career advancement programs.

In FY 2011, the agency offered, and will continue to offer in FY 2012, developmental details to supervisory positions in the OGC. In addition, the agency dedicated resources in FY 2010 and FY 2011 to executive development training for Authority and OGC staff to prepare for positions of leadership. The agency also recently conducted a new employee orientation session using seasoned staff to train new employees on best agency practices.

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

Results	
FY 2008	N/A
FY 2009	N/A
FY 2010	Increased staffing levels in each program area; improved employee worklife balance through implementation of a robust telework program and videoconferencing, which reduces travel costs and time away from family; implemented an employee leadership developmental initiative in the OGC; and implemented a Student Temporary Employment Program. Also began human capital e-initiatives to improve hiring through the purchase of USA Staffing (an automated hiring system), which engages the hiring manager in all aspects of the hiring process, reduces time-to-hire metrics, and improves applicants' Federal hiring experience.
FY 2011	The FLRA continued to focus on employee engagement in FY 2011. Its Labor-Management Forum updated the 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. The agency also formed a joint labor-management workgroup to design a new Performance Management System for General Schedule employees for OPM approval and agency implementation; an employee workgroup also designed and submitted to OPM for approval a revised Senior Executive Service appraisal system. Consistent with the Human Capital Strategic Plan, FLRA 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. Additionally, the agency 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. FLRA also initiated brown-bag programs and an educational series to inform and develop employees in a casual setting. Human capital e-initiatives continued with the successful implementation of USA Staffing, NBC's Data Mart reporting tool, and employee eOPFs. The agency also procured Kronos WebTA, an automated employee time tracking system, which is scheduled for delivery in FY 2013.
Targets	
FY 2012	Enhance development offerings to include competency-based training, career-ladder developmental programs, and continuation of HR workshops and educational brown-bags. Develop and implement the affirmative action plan and diversity outreach program.
FY 2013	Update the Human Capital Strategic Plan. Implement Kronos WebTA.

BUDGET JUSTIFICATION

FY 2013 APPROPRIATION LANGUAGE

Federal Funds

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan No. 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, [\$24,723,000] \$24,792,000: *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.

APPROPRIATION REQUEST

The FLRA requests \$24,792,000 in FY 2013 to fund employee salaries and related expenses necessary to meet its annual performance targets. The agency's FY 2013 appropriation request would fund 129 full-time equivalents (FTEs), a decrease of one from FY 2012. The requested level incorporates printing and other contractual service cost-savings measures initiated in FY 2011 and carried into FY 2012. It is also 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 inflationary price increases for FY 2013 goods and services within its current resource levels.

(In thousands of dollars)

Program Activity	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request	Change from FY 2012
Authority	\$13,803	\$13,937	\$13,805	\$(132)
Office of the General Counsel	10,158	10,017	10,175	158
Federal Service Impasses Panel	742	796	812	16
Direct Obligations	\$24,703	\$24,750	\$24,792	\$42
FTEs	131	130	129	(1)

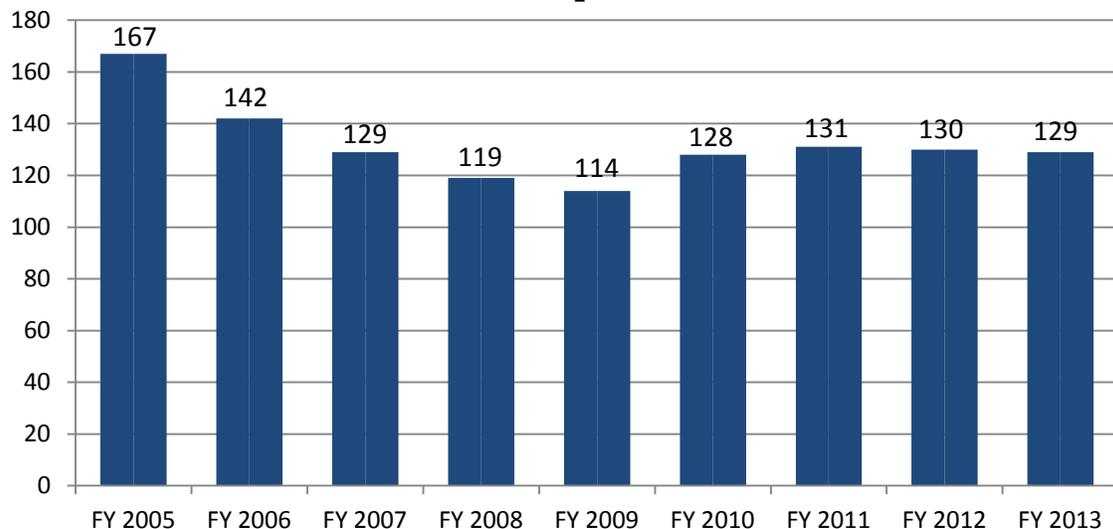
CHANGE FROM FY 2012

The requested FY 2013 funding level reflects an increase of \$42,000 over the FLRA's current FY 2012 estimate, including \$27,000 in anticipated FY 2011 carryover funding. The agency's request for FY 2013 includes the following changes from FY 2012. These changes include both cost savings and offsets to those savings.

Personnel Compensation and Benefits

Nearly 80 percent of the agency's funding is dedicated to employee compensation and benefits. In FY 2009, the FLRA embarked on a multi-year rebuilding effort to achieve sorely needed performance and employee morale improvements. Through restructuring efforts that involved the reallocation of existing funds, the agency was able to adequately staff the Authority to ensure that appropriate resources were available to address its case backlog. As vacancies began to arise in FY 2010, the agency reallocated resources to rebuild capacity in the Office of the General Counsel (OGC) and its management support offices. The re-allocating of resources has in part resulted in the FLRA meeting or substantially meeting its organizational performance goals for the last two fiscal years. As reduced funding levels become the norm within the Federal government, the FLRA will continue to assess the status of resources throughout the agency, and strategically reallocate resources to maximize organizational and program performance.

Full-Time Equivalents

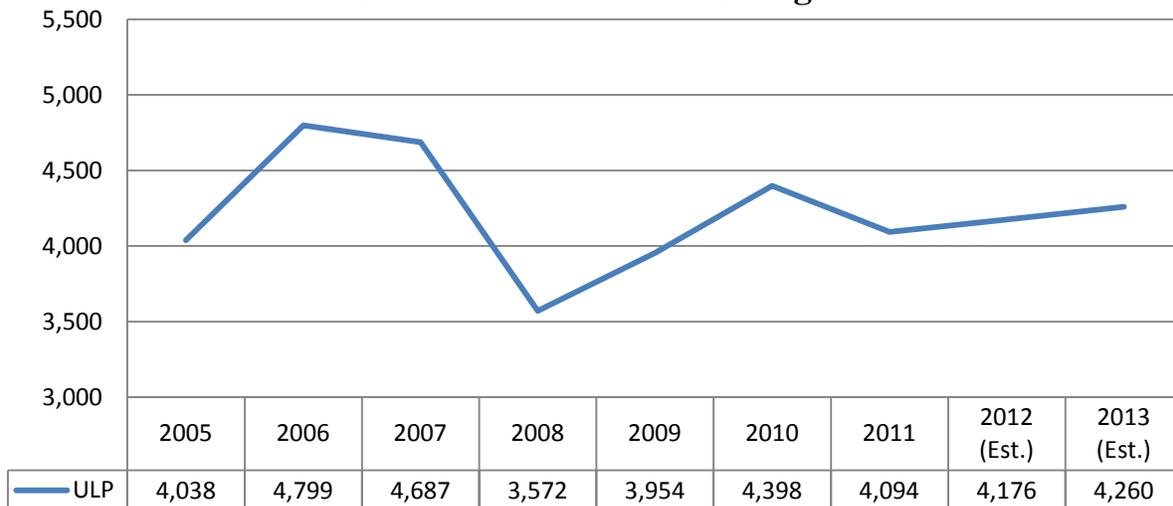


Through a combination of planning, hard work, and case management, the Authority has successfully adhered to its Corrective Action Plan to reduce the number of overage cases. As a result, the FLRA intends to reduce the number of attorney positions in each Authority Member office by one, through natural employee attrition, by the end of FY 2012. The elimination of these three positions over time is expected to reduce the agency's total FTE level by one in FY 2013, generating a cost savings of \$102,000 in employee compensation and benefits. Any

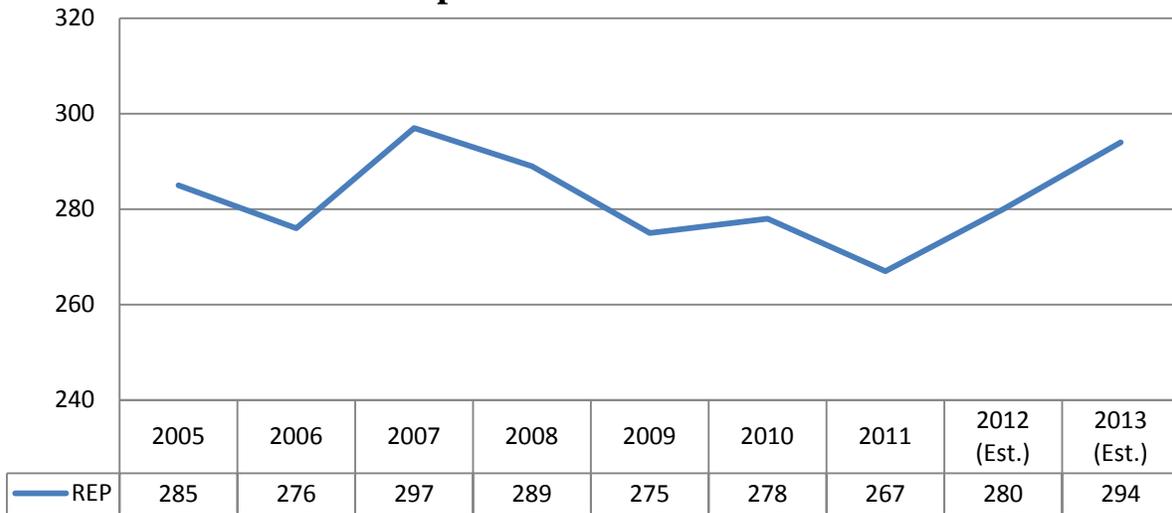
further loss in the Authority would likely reverse the significant gains that have been made in eliminating its backlog of overage cases. Moreover, any additional decrease in FTEs devoted to case processing would prevent the Authority from resolving 80 percent of its unfair labor practice (ULP), arbitration, and negotiability cases within 180 days, targets expected to deliver timely services to parties throughout the government at a time when they are most needed.

Any decrease in FTEs in the other two components of the FLRA would be harmful to mission accomplishment. In the OGC, ULP filings have increased by 15 percent since FY 2008. This is attributable, at least in part, to the absence of a General Counsel and Deputy General Counsel for a 17-month period between March 2008 and August 2009, a period when no authority was in place to issue complaints. The agency anticipates that its recent increase in ULP filings will continue, albeit at a slower rate of two percent annually in both FY 2012 and FY 2013. The many management changes that will inevitably result from passage of the Budget Control Act of 2011 and President Obama’s plan to reorganize the Federal government will be accompanied by an increased incidence of bargaining obligations, which normally results in parties filing more ULP charges. Agency restructuring efforts are also expected to lead to the need to determine the appropriate representatives after the reorganization has been accomplished. Thus, the FLRA is also projecting an annual increase in representation case filings of five percent in FY 2012 and FY 2013.

Unfair Labor Practice Charges



Representation Petitions



Assuming two percent and five percent annual increases in ULP filings and representation petitions, respectively, the OGC anticipates receiving 4,554 new cases (4,260 ULP and 294 representation) in FY 2013. In FY 2011, the OGC successfully managed its caseload, resolving more cases than received and reducing its case inventory at the end of the year by 20 percent from FY 2010. This significant increase in productivity was not matched, however, with a significant increase in the percentage of ULP and representation cases resolved within each case processing goal of 120 days – only 54 and 60 percent, respectively, were resolved within that timeframe. Timely case resolution is critical to the successful accomplishment of the agency's mission. Resolving more cases than received in a given year is a laudable achievement, but leaves our parties severely underserved if the cases are not resolved *timely*. That is exactly why the agency's case processing goals are measured based on timeliness and not simply productivity.

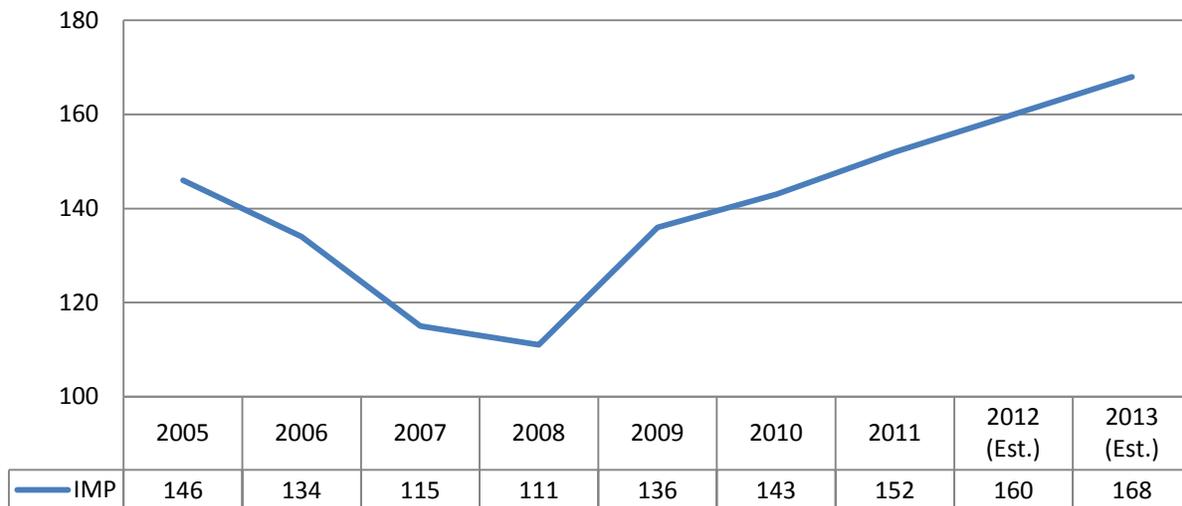
While it is anticipated that the OGC will continue this trend – managing agency resources to reduce the backlog in FY 2013 to approximately 1,000 ULP and 80 representation cases – the loss of even one FTE in the OGC would severely impact its ability to achieve its core mission of promptly investigating and resolving ULP charges and representation petitions. Performance data shows that the ratio of cases to the number of field agents is the most reliable predictor of performance. As such, as the number of cases per agent increases on an annual basis – whether due to a loss in agents or an increase in case filings – the percentage of cases that are resolved within the case processing time goals decreases significantly. Simply put, current staffing levels permit timely resolution in only slightly more than half of all ULP and representation cases; any staffing reduction will result in parties waiting even longer in even more cases.

In this connection, the timeliness in which the FLRA resolves ULP and representation cases directly affects the pace of government change. The Federal Service Labor-Management Relations Statute (the Statute) generally obligates management to maintain the status quo during negotiations and the pendency of a representation proceeding. Furthermore, the quality of case dispositions and the extent to which agents are able to take full advantage of dispute resolution opportunities also directly affects the pace of government change. In this regard, the FLRA has a

direct bearing 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. The OGC also trains management and labor representatives on their rights and responsibilities under the Statute, thereby empowering the parties to more effectively and efficiently avoid – and if necessary, resolve – disputes over these matters.

Likewise, FTE reduction in the Federal Service Impasses Panel (FSIP or the Panel) would be untenable. Since FY 2008, there has also been a 37 percent increase in the number of requests for assistance from the Panel. The FSIP is projecting an additional five percent increase in both FY 2012 and FY 2013. In addition, the Panel is likely to see complex impasses involving some of the Federal sector’s largest agencies and bargaining units in FY 2013. Such requests are extremely labor intensive, both to investigate and to resolve on the merits. Additionally, the number of multiple-issue requests, primarily those involving impasses over successor collective bargaining agreements, will continue to increase proportionally with caseload.

Bargaining Impasses



Delay in resolving Federal labor-management impasses frequently costs taxpayers money. For example, every year the leases of many Federal offices expire, and it is not unusual for the parties to reach bargaining impasse when these offices relocate. If the FSIP is unable to provide prompt resolution, then the Federal government may be forced to pay rent at two locations, costing taxpayers thousands of dollars. The FSIP also has jurisdiction over agency determinations that existing alternative work schedules are causing reductions in productivity, diminishment in the level of services furnished to the public, and/or unnecessary increases in cost. The law requires the Panel to resolve such impasses in 60 days.

A reduction in FTEs in the FSIP would severely inhibit its ability to react quickly to disputes where delay can be costly, and require the Panel to decline invitations to provide vitally necessary training to its customers. In addition, the amount of time that the FSIP’s Executive Director and Chief Legal Advisor will be required to spend on direct, case-related duties to

ensure that the Panel's primary mission is accomplished will strain their ability to perform other important tasks of their positions. In the case of the Executive Director, certain managerial responsibilities, and in the case of the Chief Legal Advisor, her role as senior counsel to the Panel Members and staff on legal matters would go unmet.

In sum, apart from the reduction of one FTE in the Authority component, the FLRA is unable to reduce FTE costs without a severe impact on mission accomplishment. We note, in addition, that the FY 2013 compensation and benefits savings of \$102,000 in the Authority have been partially offset by \$83,000 in added, agency costs due to the fact that there is one more compensable workday in FY 2013 than in FY 2012. An additional \$78,000 has also been included to cover a statutory pay raise of 0.5 percent in January 2013. In addition, FLRA benefit costs, as a percentage of salaries, continue to rise as the percentage of the agency'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 employees cost the FLRA, on average, twice as much in benefits as CSRS employees. The FLRA's personnel benefits estimate, therefore, includes an additional \$71,000 in FY 2013 to cover rising costs associated with the Federal government's gradual, ongoing transition to the FERS.

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 65 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." Telework has also contributed to increased employee morale, as measured in the 2011 Federal Employee Viewpoint Survey. Feedback from staff indicates that, due to a lack of disruptions, commuting time, and 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 recruitment 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 existing FLRA headquarters lease in Washington, DC is due to expire in March 2013. An additional \$292,000 would be necessary in FY 2013 to cover fixed rent increases for current headquarters and regional office space. In response to growing participation in the agency telework program, however, the FLRA intends to reduce the size of its headquarters by approximately 12,200 square feet, commencing with the new lease term and generating savings of \$312,000 in FY 2013. The net savings from returning Headquarters space in FY 2013 is expected to be \$20,000. In addition, the agency is reviewing its existing Regional Office leases with an eye toward reducing costs when each lease comes up for renewal. It is noted that factors beyond the agency's control involving leasing and/or relocation may result in additional, unexpected costs that the FLRA would be forced to absorb within its already stretched, baseline operating level.

Other Contractual Services

FLRA administrative operations include procurement, leasing, renovation and repairs, mail and records management, and providing overall logistical support to the agency. In addition, the FLRA Administrative Services Division is responsible for managing physical and personal security, directing employee safety programs, and ensuring agency emergency preparedness. The agency currently supplements its administrative staff with an annual contract for laborer/customer service support, such as answering telephones, reserving and setting up conference rooms for meetings and workgroups, stocking and delivering office supplies, and fixing/assembling agency equipment. The FLRA intends to implement an internal, electronic ticketing system for addressing basic administrative service requests, allowing the agency to reduce its current contract for administrative support by \$25,000 in FY 2013.

Furthermore, the FLRA Information Resources Management Division (IRMD) currently contracts annually with the U.S. Treasury Department's Bureau of Public Debt (BPD) to ensure Federal Information Security Management Act compliance by providing bi-annual certification and accreditation of agency security controls, as well as information assurance policy review and development. The agency also intends to terminate its annual support contract for information technology security services in FY 2013, saving an additional \$43,000. The responsibilities that the BPD currently fulfills will be absorbed within the IRMD's current staffing level.

PROGRAM AND FINANCING SCHEDULE

(In thousands of dollars)

	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request
Obligations by program activity:			
Authority	\$13,803	\$13,937	\$13,805
Office of the General Counsel	10,158	10,017	10,175
Federal Service Impasses Panel	742	796	812
Reimbursable program	<u>80</u>	<u>100</u>	<u>0</u>
Total new obligations	24,783	24,850	24,792
Budgetary resources:			
Unobligated balance:			
Nonexpenditure transfers:			
Unobligated balance transfers between expired and unexpired accounts	34	27	0
Budget authority:			
Appropriations, discretionary:			
Appropriation	24,723	24,723	24,792
Spending authority from offsetting collections (gross)	<u>80</u>	<u>100</u>	<u>0</u>
Total budgetary resources available	24,837	24,850	24,792
Change in obligated balance:			
Obligated balance, start of year (net):			
Unpaid obligations, brought forward (gross)	3,506	3,279	3,279
Obligations incurred, unexpired accounts	24,783	24,850	24,792
Outlays (gross)	(24,979)	(24,850)	(24,792)
Adjustments in expired accounts	<u>(31)</u>	<u>0</u>	<u>0</u>
Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	3,279	3,279	3,279
Budget authority and outlays, net:			
Discretionary:			
Budget authority, gross	24,837	24,850	24,792
Outlays, gross:			
Outlays from new discretionary authority	22,375	22,560	22,502
Outlays from discretionary balances	<u>2,604</u>	<u>2,290</u>	<u>2,290</u>
Outlays, gross (total)	24,979	24,850	24,792
Budget authority, net (total)	24,757	24,750	24,792
Outlays, net (total)	\$24,898	\$24,750	\$24,792

OBJECT CLASSIFICATION SCHEDULE

(In Thousands of dollars)

	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request
Direct obligations:			
Personnel compensation:			
Full-time permanent	\$14,249	\$14,346	\$14,398
Other than full-time permanent	860	860	866
Other personnel compensation	188	0	0
Total personnel compensation	15,297	15,206	15,264
Civilian personnel benefits	3,974	4,152	4,224
Benefits for former personnel	5	0	0
Travel and transportation of persons	189	190	190
Transportation of things	11	10	10
Rental payments to GSA	2,617	2,566	2,546
Rental payments to others	19	19	19
Communications, utilities, and misc. charges	477	378	378
Printing and reproduction	45	30	30
Advisory and assistance services	90	100	100
Other services from non-Federal sources	690	847	822
Other goods and services from Federal sources	866	899	856
Operation and maintenance of facilities	5	5	5
Operation and maintenance of equipment	114	118	118
Supplies and materials	99	104	104
Equipment	205	126	126
Direct obligations	24,703	24,750	24,792
Reimbursable obligations:			
Travel and transportation of persons	80	100	0
Reimbursable obligations	80	100	0
Total new obligations	\$24,783	\$24,850	\$24,792

EMPLOYMENT SUMMARY SCHEDULE

	FY 2011 Actual	FY 2012 Estimate	FY 2013 Request
Direct civilian full-time equivalent employment	131	130	129

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 2013 funding request includes \$393,300 for the OIG. The funding level requested by the IG, including \$5,000 for training and \$1,300 to support the Council of the Inspectors General on Integrity and Efficiency, has been funded in total. The IG has certified that the FLRA's funding request for the OIG satisfies all training requirements for FY 2013.



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

INSPECTOR GENERAL

September 8, 2011

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.

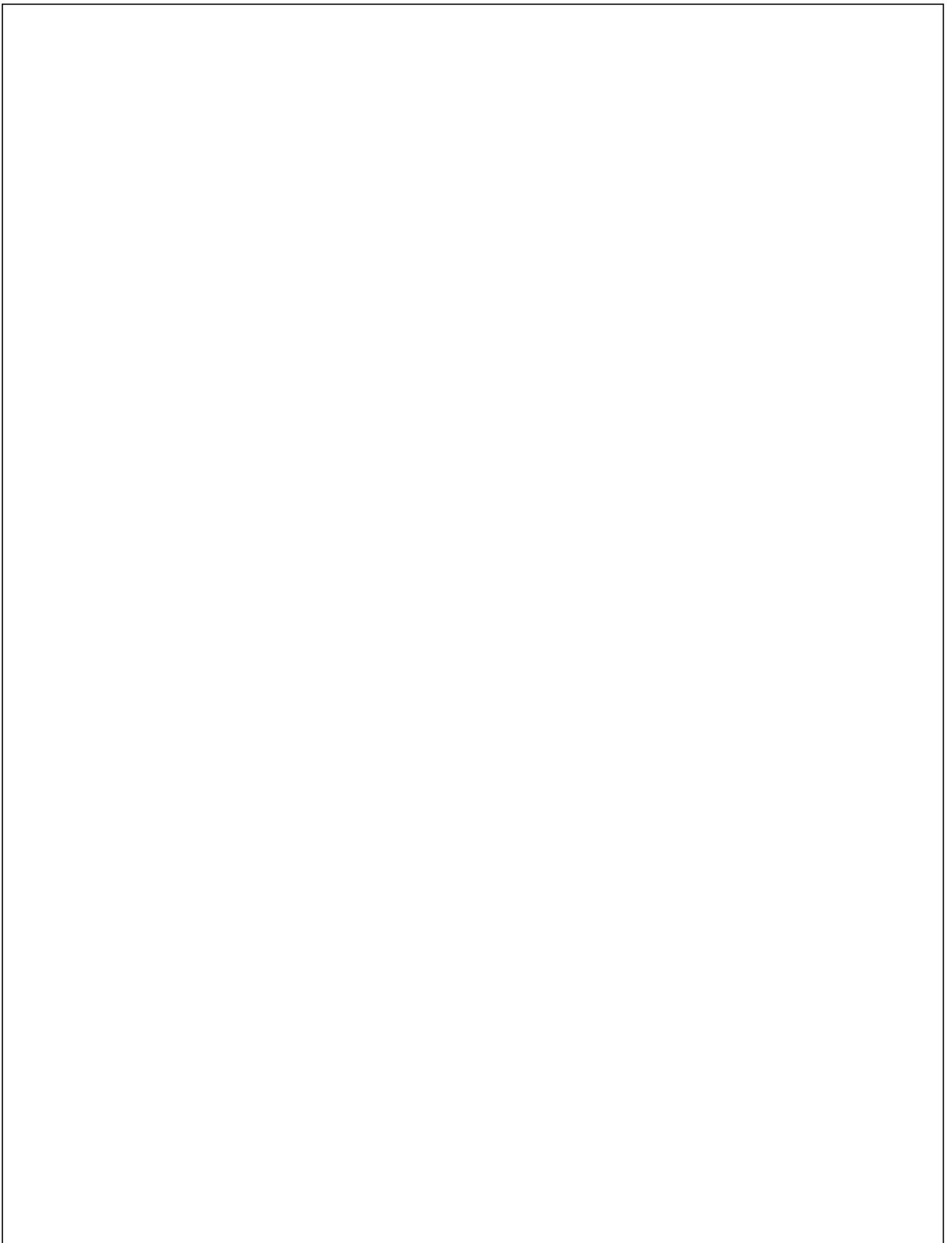
Following the requirements as specified above, the Federal Labor Relations Authority inspector general submits the following information relating to the OIG's requested budget for FY 2013:

- The aggregate budget request for the operations of the OIG is \$393,300.
- The portion of this amount needed for OIG training is \$5,000, and
- The portion of this amount needed to support the CIGIE is \$ 1,300.

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 2013.

A handwritten signature in black ink, reading "Dana S. Rooney-Fecker". The signature is written in a cursive style and is positioned above the printed name.

Inspector General
Federal Labor Relations Authority



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