

DEMBO•JONES

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

The Honorable Colleen Duffy Kiko, Chairman
Federal Labor Relations Authority

In planning and performing our audit of the financial statements of the Federal Labor Relations Authority (the Authority) as of and for the year ended September 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; and therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be significant deficiencies. However, during our audit, we noted certain matters involving the internal control and other operating matters that are presented for your consideration. This letter does not affect our report dated November 19, 2019 on the financial statements. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendation. Our comments are summarized as follows:

Follow-up on Prior Year Findings

I. Timely Submission of Travel Vouchers

During our performance of audit tests related to travel vouchers, we noted that 9 of the 32 travel vouchers were not submitted by the traveler to the approving official within the required number of working days upon completion of the trip. Federal Travel Regulations §301-52.7 state that travel claims must be submitted within 5 working days after you complete your trip or period of travel; or every 30 days if you are on continuous travel status. We suggest that the Authority put in additional procedures, which include identifying travelers in jeopardy of exceeding the 5 working day window, as well as, announcing the requirement to file within 5 working days in the agency's monthly newsletter.

Fiscal Year Ending 2019 Follow-up:

During the 2019 audit, we found 6 instances where travel vouchers were not submitted by the traveler to the approving official within the required 5 working days upon completion of the trip. This recommendation remains open.

New findings:

None

We sincerely appreciate the opportunity to provide services to the Federal Labor Relations Authority and hope you find the information included in this correspondence useful and informative. If you have any questions or wish to discuss these matters further, please let us know.

A handwritten signature in black ink that reads "Dembo Jones, P.C." The signature is fluid and cursive, with "Dembo" and "Jones" connected by a single stroke, and "P.C." appearing in a smaller, more formal script at the end.

*Rockville, Maryland
November 19, 2019*