



UNITED STATES OF AMERICA  
**FEDERAL LABOR RELATIONS AUTHORITY**  
**OFFICE OF THE INSPECTOR GENERAL**

WASHINGTON, D.C. 20424-0001

**SUBJECT:** Federal Labor Relations Authority (FLRA) Inspector General Internal Review of FLRA Administrative Programs

**METHODOLOGY:**

This Inspector General Internal Review was conducted in accordance with the Inspector General Act of 1978, as amended and in compliance with the Presidential Council of Integrity and Efficiency/Executive Council of Integrity and Efficiency requirements and the FLRA Inspector General's related policy.

This Internal Review focused on problems in FLRA Administrative Programs which support the FLRA's mission and should be addressed to eliminate negative aspects of the Agency. This Inspector General Internal Review also pertained to Administrative Programs that have improved over the past year. Workforce planning and restructuring remedies will improve and benefit the FLRA. FLRA Administrative Programs were reviewed independently and objectively by the FLRA Inspector General.

**REFERENCES:**

- The Inspector General Act of 1978, as amended
- The President's Management Agenda
- OMB Federal Financial Agency Report
- Federal Information Security Management Act of 2002
- OMB Guidance for FISMA Security Review
- Executive Order 12964 "Occupational Safety and Health Programs for Federal Employees"
- National Institute for Standards and Technology
- ECIE FISMA Framework
- NIST SP 800-30 Risk Management Guide for Information Systems
- NIST SP 800-34 Contingency Planning Technology Guide for Information Technology Systems
- Office of Management and Budget Memorandum M-07-19

## **FEDERAL ADMINISTRATIVE REQUIREMENTS:**

- Federal agencies will use their own procurement procedures which reflect Federal laws and regulations.
- Federal agencies will take precautions to prevent any real or perceived conflicts of interest in the administration of administrative programs.
- Federal agencies will follow procedures that provide for a review of programs to avoid unnecessary costs and/or purchases.
- Federal agencies shall maintain records sufficient to detail administrative programs. They should adequately identify requirements, cost for administering the program and job related requirements for their employees.
- Federal agencies should review and evaluate employee suggestions regarding administrative matters.
- Federal Agencies should coordinate with their Equal Employment Opportunity Director to determine proper accommodations to ensure a safe working environment.
- Federal Agencies should educate their employees about all administrative programs through individual counseling and implemented instructions.
- Federal Agency Supervisors are responsible for ensuring employees are aware of safe workplace practices and notifying Administrative Divisions of unsafe, unhealthy working conditions, hazards or practices.
- Federal Agency employees must use safe procedures while performing their jobs and notify their supervisors immediately if the procedures are not proper.
- A Federal Agency Security Officer or Safety/Health Inspector should conduct periodic safety and health inspections of the Agency's workplaces and respond to proper management with the results.
- Federal Agency management should take action to correct reported problems and/or conditions and complete these actions as soon as possible. Unsafe or unhealthy working conditions should be addressed within 30 days. Administrative corrections should be addressed within 6 months of issuance. If additional time is necessary, management should contact the Head of the Agency, explain why more time is needed and estimate the closing date.

## **BACKGROUND:**

The current President of the United States believes that the Federal Government needs to reform its operations, how it handled its business and how it treats the people hired. The three issues the President wanted Federal entities to focus on were citizen centered, results oriented and market based activities. Although the FLRA was not required officially to address the President's Management Agenda, it should have focused on these issues which support objectives for necessary administrative programs that support the missions of Federal agencies. The administrative programs, reviewed by the FLRA Inspector General at the FLRA have current weakness, many of which are included in the majority of Federal Agencies and are being addressed or need to be addressed by Federal Government over the next decade. The United States of America can not afford any more improper responses to catastrophic or non routine management no matter what the cause. The administrative issues reviewed in this internal review inspection by the FLRA Inspector General relate to:

- Human Resource
- Performance
- Information Technology Security
- Security
- Financial Managements
- Training
- Travel
- Records Management
- Medical Insurance
- Labor Management

In general, the FLRA's administrative programs still have some parochial and bureaucratic aspects and most of the staff does not have an abundance of potential and proper interaction with their managers over the last 7 years. FLRA Republican political appointees generally consulted with the former FLRA Chairman or former Executive Director regarding administrative program issues but not with the Democratic political appointee. The downsizing of the FLRA during this administration has eroded the FLRA's institutional memory but there are some professional managers and solicitor that have recently been hired. FLRA employees can now help robust the administrative programs actively. Management's decision to have the Department of Interior National Business Center handle FLRA's financial program, human resource program, and information security program may be the best decision the Former Chairman has made because the reduction of administrative employees, the lack of needed and proper training, the external performance and hiring decisions have not benefited the Agency. Also, the leaving of this Agency by the majority of experienced and competent employees, and micromanagement during the last 7 years has resulted in the destruction of this Agency and making it the worst Federal Agency to work in spite of the FLRA's adjudicatory mission of handling Federal Agency and Union complaints. The fact that management communication with employees has been extraordinarily minimal, FLRA employees were not aware that issues

and policies and programs would be changed, until after they were implemented as a requirement without any initial discussion with them.

## **HUMAN RESOURCES:**

- A good Human Resource system is a valuable administration tool that helps managers improve their employee's performance and maintains support and dedication to the employee's job and the Federal Agency's progress and support for its mission. Management must inform their employees what their job requires and clearly/regularly communicate these performance expectations so that the employees are properly aware of requirements and changes that will occur.
- In Government human capital programs, most Federal Agencies are undergoing profound changes. In March 2008 the only existing FLRA Human Resource Employee left the FLRA for a job in another Agency but FLRA had just turned all FLRA Human Resources over to the Department of Interior National Business Center. Nevertheless, FLRA management must focus on improving the performance management of their employees and make sure they understand what is expected for and from them. There needs to be a high level of transparency and communication between FLRA management and all of the FLRA's employees.
- During the last 7 years of this administration, the former Chairman consulted with her Republican political appointees and her Executive Director, General Counsel and FISIP Chairman's Assistant but with no other senior managers or staffs so that they knew what was going on. Most FLRA line managers felt that the administrative programs under the former Chairman did not serve FLRA managers or employees. Also, most FLRA managers who needed to fill their vacancies, stated that it took a long time and that the former external hiring assessment committee was not qualified to hire employees and this should have been done by the manager who would have the employee working for him/her. The former Executive Director was hired by the Former Chairman as a GS 14. Within the 7 years of her employment, she was promoted all the way up to an SES. No other FLRA employees were promoted and most positions that were vacant by FLRA employees leaving the FLRA were reduced in grade levels and not filled.
- The significant amount of FLRA employees leaving the FLRA during this administration definitely diminished FLRA's institutional memory. There was very little, if any, communication from FLRA top management down during this administration. Over the past 7 years management communication with employees was minimal and there were no FLRA conferences with employees and line management. Several employees stated that no employees in their offices were consulted, with and they did not know of any changes until after it became an implemented requirement. Many FLRA Attorneys stated that their discussion with the FLRA administrative staff was minimal because most of the Administrative Division had no information from the former Executive Director or the former Chairman who left the FLRA on July 14, 2008.

- Several staff employees interviewed by the FLRA Inspector General stated that although they were given work to do, they were not aware of the work issue being addressed. They stated that their managers never consulted with their staff employees for information and felt they were “individuals in prison” and had to do what they were told and not ask any questions. The FLRA Democratic Member’s Chief Counsel stated she did not receive a budget amount in the last two years 2007-2008. She also stated that the former Executive Director spent extensive money for her own training which diminished money for employees’ training requests, most of which was not approved for external training. The Democratic Member and her Chief Counsel never received any information from Senior Management and had no idea of what was going on. Many individuals interviewed by the Inspector General stated that they definitely felt that the Former Chairman and former Executive Director accessed their phone calls and e-mails.
- FLRA senior management and line management also stated that because of the current administrative environment, it was impossible to address the FLRA Strategic Plan. The FLRA Strategic Plan focuses on case processing and does not relate to any administrative programs. They also stated that the FLRA Administrative Staff was reluctant to provide information to managers because they felt they would be retaliated against and perhaps lose their job. No one in the FLRA except the Inspector General brought improper or illegal issues up to the former Chairman and former Executive Director.
- When FLRA employees left the Agency, most of their positions were either eliminated or positions were downgraded and FLRA employees were not notified about this until a new employee was hired. Recently, management has started to properly notify FLRA employees on line of vacant jobs which are currently being filled.
- A significant amount of FLRA employees who worked for the former Executive Director/Human Resource Director in charge of Administrative programs felt that they were totally micromanaged, and felt that most of these employees were professional and experienced. These employees felt that they had no authority and could not address their jobs properly. Effective management performance needs to be in place and the proper management of employees needs to be a core responsibility of every manager.
- If FLRA management wants its employees to conduct their jobs at a high level, experienced high level employees should be hired and have the proper skills. While it may be difficult financially to support needed issues that relate to pay for performance, this is essential for employees to be qualified to handle their jobs properly and professionally. The most excellent performers should be promoted. FLRA management should be committed to inform employees of their job requirement in standards and help them conduct their jobs properly and successfully without micromanagement. During this administration, there was very few discussions required for employees by management, but some employees did provide significant discussions regarding Human Resource issues to the FLRA Inspector General when they resigned from their jobs.

- This review affirmed that the Director, Administrative Services Division not the current Acting Executive Director was not making most of the decisions for their programs. Prior to the former Executive Director's exit from the FLRA, the former Executive Director required all managers and employees to report to her regarding all issues before the subject matter was provided to managers and employees. The former Executive Director also told all administrative employees that if they were contacted by the FLRA Inspector General, they should not answer any questions until they contacted her. The same issue was also provided by the Authority, Office of General Counsel and FSIP. This was totally improper and fortunately, most employees did not adhere to this. This type of micromanagement should not have been occurring because Federal employees should have authority, proper training, and extensive policy information to support their professionalism and job performance. Approximately 50 FLRA Instructions were removed from the Agency by the former Executive Director and never replaced. Also have the right to contact the FLRA Inspector General directly and be contacted by the FLRA Inspector General without notifying their manager what questions they were asked. FLRA Administrative Division Human Resource employees interviewed by the FLRA Inspector General stated that they were afraid to provide requested information to FLRA employees who contacted them without checking with the former Executive Director.
- Prior to 2007 there was a significant reduction in administration employees which were not filled. Line managers and many employees were upset that their staffs were diminished and they had very extensive work. The line managers stated they were afraid to inform the former Executive Director because they would be reprimanded and loose their job if they didn't do what she wanted them to do. Over the years from 2003 to the beginning of 2007, the vacated positions related to savings which senior management used for contracting senior level training and providing end of year money to the Department of Treasury to indicate exceptional management externally..
- Senior line FLRA managers interviewed by the FLRA Inspector General stated that FLRA senior management does not properly serve FLRA line management or employees. They also stated that some needed vacancies were not addressed for several years and once they were, it took a very long time for the external Hiring Assessment Committee to review and recommend the applications. Some of these FLRA senior managers stated that the external Hiring Assessment Committee who were reviewing these applications were not qualified to hire FLRA employees and FLRA applications should have been assessed by Human Resources and the affected managers.
- This internal review revealed that in the beginning of this administration, the Former Chairman stated she valued career employees and the FLRA environment was good to work in. However about one year later, micromanagement by most of the political appointees began and kept getting worse which began to diminish the professional environment of the FLRA as well as the employees.
- This internal review affirmed that one individual, hired by the former Executive Director as the Executive Director Assistant in 2006 never received her appointment in writing and

therefore felt she was never formally an employee of FLRA. This individual also stated that she had no implemented performance plan or document stating her actual job. Although her job had been indicated as a supervisory job, she had no authority to supervise anyone and was told by the former Executive Director not to talk or respond to anyone before stating the issues to the former Executive Director.

- A significant amount of employees interviewed by the FLRA Inspector General stated that it was very hard and stressful to come to work because everything that was going to be done had to be told to management before it was done or else their actions were considered improper. Most Administrative line managers and employees, including those who were experienced had no authority to make decisions relating to their jobs. A few experience individuals stated that they came to work but that they virtually had jobs which related to doing nothing.
- During this administration, when employees left the FLRA, most of their jobs were eliminated or grade lowered and many existing employees had no idea of this until a new employee was hired or the position was eliminated. Until this year, most of the positions left by FLRA employees were not filled. However, Management has begun to increase the amount of mission related employees (not Administrative) during the last 6 months to reduce the increased time it is taking for the Agency to properly conduct its mission related jobs.
- All FLRA Office of General Counsel employees interviewed stated that their former General Counsel totally micromanaged all managers and employees regarding all administrative programs. Headquarters administrative managers and employees were also totally micromanaged by the former FLRA Executive Director. Fortunately, the recently hired Acting Executive Officer, Chief Financial Officer and Solicitor are properly focusing on rebuilding the Agency and focusing on Inspector General findings and recommendations from 2000 to 2008.
- On the good side, this evaluation did affirm that that the FLRA Management did not prohibit or discriminate the hiring of employees because of race, color, religion, sex, national origin, age or disabilities (EEO). Also, the current FLRA Chief Financial Officer intended to create an Internal Control Board and an Information Technology Board which will provide interaction from employees regarding related matters and eliminate the former Chairman and Executive Director's micromanagement for these related issues. Unfortunately this employee left the FLRA in September for a higher level job which he is definitely qualified.
- Also, as previously stated, all aspects of Human Resources have been turned over to the National Business Center to handle Human Resources for the FLRA. A National Business Center Human Resource employee comes to the FLRA on Tuesdays for interaction with FLRA employees and can be contacted by phone or e-mails by FLRA employees on other days. Most employees interviewed by the FLRA Inspector General felt that the National Business center would probably handle FLRA Human Resources

better than it has been over the last 7 years but they felt having a National Business Center Human Resource person at the FLRA for only one day was not good for FLRA employees.

## **PERFORMANCE:**

- Yearly performance appraisals are supposed to be determined by management but this has not yet been implemented. Most employees interviewed stated that their authority and professionalism was totally ignored by previous senior management and they were totally micromanaged. As previously stated, in the beginning of this administration, the former Chairman stated that she valued career employees but within less than 1 year, her interactive management turned over to micromanagement. Even the Administrative Staff had no information and was told what to do and not to do by the former Executive Director with no explanations. The Director of the Administrative Services Division very much wants the authority to perform her job and have management meetings with other managers but this has not yet been created. She also stated that the FLRA should hire a Contracting Officer because he/she would do a much better job than Health & Human Services who previously contracted for the FLRA for several years after the former Contracting Officer left the FLRA. FLRA contracting has also recently been turned over to the National Business Center.
- Most Administrative Service Division employees interviewed by the FLRA Inspector General stated the Director, Administrative Services Division did provide her employees with Performance plans but rarely gave awards or bonuses. Several Administrative Services employees virtually stopped communicating with the Director of Administrative Services Division because they knew no response would be made until the Director, Administrative Services Division reported the information to the previous Executive Director and now to the Acting Executive Director. Administrative Services Division employees stated that their Director of Administrative Services Division stated that all of them were complaining about her. In spite of this statement, the Director, Administrative Services Division had been given awards by the former Executive Director because her performance was 100 percent directed by the former Executive Director.
- The Administrative Services Division also got involved in financial issues during 2007 because bills were not paid and had not been handled properly. The Administrative Services Division employees stated that when they were assigned jobs they were usually not aware or told by management what issue was being addressed.
- So far there has been no performance plans for FLRA SES or GS employees. Although the former Executive Director did contract out to create a Performance Plan for SES employees, it was not implemented. Even though President Bush has restricted performance pay, senior management has been given good bonuses by the FLRA former Chairman while those GS employees who were nominated for awards generally

- got minimal amounts. Several senior level individuals stated that when performance requirements were changed, they were never notified. The Performance Plan will now be handled by the Acting Executive Director and hopefully will be improved.
- A significant amount of interviewed FLRA employees stated that their appraisals did not contain essential program performance because they did not receive updated performance plans relating to their current activities. They also stated disappointment that their jobs were deleted instead of upgraded during this administration and especially when upgrades for employees were submitted. The former Executive Director did not approve them. The reality that most new hired employees during this administration were at the entry level could have been driven by the FLRA's conservative budget. Most interviewed employees affirmed that previous FLRA management focused on employees receiving training and periodic upgrading with more responsibilities every few years and they were treated as professionals which have not been done during the current administration.
- FLRA employees interviewed also stated that the performance appraisals did not contain essential performance issues and that employees were not appreciated for their actual work and got low performance bonuses if any. Some FLRA employees only got one performance award during this entire administration and a few employees stated that their performance appraisals were critical.
- The major problem FLRA line managers had that former senior management did not explain why and what changes were made before they were implemented and this issue also affected employee performance. Administrative Service Division employee appraisals also do not contain essential program performance of major issues and programs which also reduce their awards. Administrative staff bonuses when and if they were given were low.
- The FLRA employees, managers and supervisors are all aware that payroll is completely transacted through electronic transfer. The performance criteria and process has been evaluated and updated by OPM to move the FLRA toward certification which will require FLRA to eventually implement a three to five tier evaluation committee of senior managers and eliminate the current Pass/Fail process.

#### **INFORMATION TECHNOLOGY SECURITY:**

- Over the last 5 years, the former FLRA Chief Information Officer, Information Resource Management employees and contractors focused on providing new computers, software tools and updating policy and information security policy and procedures, most of which had not been implemented. Security Information instructions were created in 2005 by the former Chief Information Officer but not implemented by the former Executive Director. The selection of hardware and software is critical and should not be decided based on costs although the budget for FLRA Information Resource Management [feichl@flra.gov](mailto:feichl@flra.gov) was at a low amount. During the past 5 years, two FLRA Information Resource

Management employees were not given proper jobs by the former Chief Information Officer, and were assigned minimal work. The current Acting Chief Information Officer has improved this situation and the two subject employees have been given work projects that are meaningful.

- FLRA Management has recently hire contracted independent venders who focused on an interorganizational system which will support coherent architecture in considering FLRA's hardware and software. Currently, the new Acting FLRA Chief Information Officer is extensively focused on addressing the information security issues. In general, Federal Information Resource Management wants to use the latest and greatest technology for more data rich collaboration and better public access; however it is expensive to retire a legacy system. With a reduced FLRA budget, it might have been easier for former managers to provide manual workarounds. An independent technological audit needs to be conducted to provide this and other related issues to the FLRA. The FLRA Inspector General has requested a budget for an independent information technology audit. The FLRA Inspector General has raised this request over the last three years and has had no response regarding this matter from the FLRA Former Chairman/former Chief Financial Officer.
- The major and most serious problem regarding Information Resource Management is security and the need to understand the current system and record rogue services so that proper technology functions occur. Information Resource Management does not have a specific plan relating to what needs to be addressed now, does not have proper updated hardware, and does not use available capability properly.
- The FLRA does not have proper information for the private sector on its internet and its current system is not functional for E-government requirements. Both Public and Private citizens should be able to access current information.
- Most managers and employees interviewed by the FLRA Inspector General stated that if any information technology problems occur, the staff of Information Resource Management normally responds and fixes it. Most line managers agreed that the FLRA Microsoft Outlook System (e-mail system) still had deficiencies after the effective spam program was installed. Although all FLRA employees had daily quarantine spams (average 25 to 45 per day) removed and automatically deleted after 7 days, most employees still had other spams (mpds) entered on their e-mails every day.
- Although Information Security Policy and Instructions were completed in 2005 by the former Chief Information Officer, management did not approve or implement any of them. As of now, the FLRA does not have any current policy for Information Technology Security and should also focus on updating the Security Plan which is over 5 years old.

- Although over the past several years, the FLRA Inspector General has informed the former Chairman and former Executive Director that FLRA needs to have a Security Officer for IRM as well as the Administrative Program Office, this critical requirement has not been addressed by management.
- The former FLRA Executive Director took the authority away from the former Chief Information Officer and did not permit the former Chief Information Officer's staff to be contacted directly. The major management problem over the last few years related to management two of three Information Resource Management employees stated that they tried to help FLRA employees who had problems with their computers and they were punished for doing so by former management.
- Transferring FLRA Financial Services, Human Resources and Information Technology to the National Business Center was necessary to properly attribute budget requirements for each individual component and to the FLRA Inspector General. Previous FLRA Inspector General FISMA evaluations affirmed that FLRA has still not addressed E-Government requirements nor properly addressed FISMA requirements. One FLRA management individual stated to the FLRA Inspector General that printers were purchased several years ago and have not been implemented at the FLRA Headquarters but were implemented in the FLRA Regional Offices. This individual also stated that FLRA needs to update its hardware and software to 2007 Microsoft. The FLRA has not kept up with updated requirements which relate to E-Government. The current Acting Executive Director is creating a help desk process for the Agency which will relate to FLRA's information technology problems.
- The FLRA has not properly addressed necessary requirements over the last 7 years during this administration; however, the current Acting Chief Information Officer is focusing on improving FLRA'S Information Security Technology. Fortunately, the new Acting Chief Information Officer is turning information security over to the National Business Center. Hopefully, this will improve information security as it did for Human Resources and Financial management. Right now, the Acting Chief Information Officer is addressing the following Information technology requirements needed to address FISMA, OMB and NIST requirements:

**SECURITY PROGRAM:**

- Security Program documentation
- System and application specific security plans
- System Inventory
- FISMA report
- Recent vulnerability test reports
- Business Impact Analysis
- System diagrams
- Network diagrams
- Organization charts

- Although the FLRA Inspector General has made several recommendations to the FLRA former Chairman, for the FLRA to hire a Security Officer, FLRA management has not addressed this requirement. There have been no Security investigations of new employees during this administration under the former Chairman which is a Federal requirement. Currently, an Administrative Services Division employee was conducting background investigations for all FLRA employees who have been in the FLRA for the last two years, however he has left the agency and so far, no one is conducting these investigations. Once again, current management is addressing issues that up until July 2008 were not addressed by this administration.
- Several FLRA managers stated that very little follow-up on administrative security has been done in the FLRA since the 9-11-02 security disaster after which a Security Plan was issued by a former Acting Executive Director and some training was provided to all employees. Several employees interviewed by the FLRA Inspector General stated that they had no confidence in security with the current administration because they were not provided with relevant or required security information.
- In the current Headquarters environment, several building relating security tests have been done by the owners of the building which have increased this last year but FLRA has not focused on FLRA security issues and many new employees in this FLRA administration still have not had security testing. Nor has there been any Drug Testing or policy created relating to Safety and Health.
- Several security issues have occurred during the past 8 years and were handled by an Administrative Services Department employee who had security training and experience in the military. Although this employee addressed security issues, this administration has not appointed him to be a Security Officer. No current security or information security instructions have been prepared and implemented. No current security training has been provided to FLRA employees during this administration.

#### **FINANCIAL MANGEMENT:**

- Over the past 5 years the Federal Government has made significant progress in improving financial management. The FLRA's financial statement progress began to be objectively audited in 2005 and was a problem up to 2007 because management failed to provide requested information properly to the auditors and also took an extensive time to prepare the FLRA's PAR report. However FLRA management has made less improper payments and has improved the results of the key performance area requirements of the Performance Management Act (PMA) which does affect Financial Management as well. Also, in 2007, the former Chairman hired an experienced and professional Chief Financial Officer who is focusing on improving FLRA's financial matters and has properly interacted with the FLRA Inspector General to address findings and recommendations.

- In October 2006 (FY 2007), the FLRA transferred financial management to the Department of Interior National Business Center. It did take the National Business Center some time to evaluate and properly handle FLRA's financial management program but improvement did occur.
- During the past few years, FLRA purchases were not handled properly and some requested and needed purchases took an extensive time to be approved and provided by the former Chairman who then was also the Chief Financial Officer. During 2007, bills were backed up, not issued to the National Business Center on time and therefore not paid properly on time. The FLRA Inspector General did not find any problem in the FLRA related to the use of credit cards.
- Many FLRA managers and employees stated that financial management has been handled improperly. Several employees who handled or recorded their office budgets stated that their annual budgets were diminished extensively and there were a few years that they were not informed by management initially that their budgets had been decreased. Also, in 2007 the Administrative Services Division got an extensive amount of bills to handle that were not paid on time by the previous former Chief Financial Office (CFO) /Chairman.
- The majority of management interviewed by the FLRA Inspector General regarding the line management and employee budget involvement stated they were not properly informed of the reduced budget by the former Chairman/CFO or her former Executive Director. Even those administrative employees whose job was to keep track of budgets were never informed of their yearly budget at the proper time.
- Contracted Financial Statement Audits were difficult to handle because requested and required information was not provided on time to the Auditors. The FLRA's PAR report was not created properly or on time for issuance to the Office of Management and Budget by November 15 from 2005 to 2007 when FLRA began to address this requirement to 2007. Material weaknesses were identified by the 2005 audit and not responded to or addressed by the former Chairman/Chief Financial Officer until 2007. In 2007, the contracted financial statement auditors affirmed that some improvements had occurred and FLRA's material weaknesses no longer exist but many problems still exist.
- The fact that the FLRA Former Chairman/Chief Financial Officer focused on reducing the Agency's costs and budget, especially overhead costs and administrative costs supported the administration's management agenda however the extensive reduction of administrative positions had a very negative effect on the Agency even though the FLRA submitted extensive financial amounts to the Department of Treasury.
- The fact that FLRA turned the financial program over to the Department of Interior's National Business Center in 2006 already affirms that the FLRA's financial program is being handled much better and will improve the FLRA's financial qualifications. Since

FLRA resources have been reduced and budgets are going down at least 10 percent more, FLRA needs to do more with less money and make sure there is no massive waste in funds. Transferring FLRA's financial services to the National Business Center will properly attribute actual costs appropriated to each individual component and provide "real time costs" versus costs being consolidated under a general budget item. Being able now to provide managers with actual costs will assist managers in understanding that they have responsibilities for spending their money properly and focusing on internal controls.

## **TRAINING:**

- During this administration, the training allocations for FLRA employees have been \$500.00 per person which is primarily too low for proper individual training. An exception was for the former Executive Director who left the Agency in February 2008 who had extensive external training every year. An example of costs spent for the former Executive Director was \$40,000.00 in 2007. Starting in 2006, the former Executive Director provided Agency wide training for several administrative programs such as Retirement, Computer Updating, Stress Management, Performance Evaluation for Managers. Employees who have been in the FLRA for many years felt the training held within the FLRA was not as good as previous external training and did not address the training they needed. Prior to this administration, FLRA managers and employees had extensive training. But during this administration, FLRA managers (accept the former Executive Officer) and employees have not had good and advanced training.
- As previously stated, during 2006 and 2007, the former Executive Director created a few training sessions but the majority of attendees felt it was not worth attending. New FLRA employees felt better that they were having the training. 2007 mandatory training scheduled for all employees involved utilizing Oracle and the new FLRA budgeting system of NBC. Essential training should be provided on an annual basis from 2009 to 2008 to all employees so they could benefit themselves as well as the FLRA.
- During 2006, 2007, and 2008 very little external training was approved for FLRA line management and the FLRA's Democrat Member's staff. Specific requests for training were rarely approved by the former FLRA Executive Director who had extensive training for herself. However, in 2006, the former FLRA Executive Director began to focus on training in house for all employees related to Administrative programs which was elementary and not what FLRA employees needed. Requests for training were still not responded to properly in 2006 to July 2008.
- Also, during this administration, mandatory Inspector General training was not approved or obtained because the \$500.00 allocation was spent to attend most of the annual Presidential Counsel of Integrity and Efficiency/Executive Counsel of Integrity and Efficiency (PCIE/ECIE) conferences. However, in 2008, criminal investigation training was approved for the FLRA Inspector General in addition to the PCIE/ECIE conference. Although the former Executive Director handled the budget and provided decisions

relating to FLRA's financial program which were approved by the former Chairman/ Chief Financial Officer, it was not handled properly and sufficiently on time. As stated previously, it is now being handled more properly by the current Chief Financial Officer and Department of Interior, National Business Center. The current Acting Executive Director has the authority to approve FLRA travel as well as training and it appears that FLRA employees will be getting more administrative training over the next year(s).

## **TRAVEL:**

- As with most other administrative programs, the FLRA management focused on being in control of the travel program and credit cards which had to be activated by the Agency if the subject person traveled two times or less during the year. FLRA senior managers reduced the amount of travel of all employees including the unfair labor practice charge attorneys who previously traveled significantly to investigate their cases "eye to eye." Under the current administration, FLRA Regional Offices had their travel budgets reduced and their travel availability was minimal. The FLRA Administrative Judges continued adjudicatory and appeal case required travel and did not state any problems with travel which had to be approved by the FLRA Chief Judge and then by the FLRA former Chairman.
- Travel funding, as a part of Financial statements has been contracted for handling to the Department of Interior National Business Center. During the week of July 5, 2008, FLRA employees received training on how to prepare travel requests on line for National Business Center for the FLRA. FLRA travel will now require electronic entrance. Since this program is new and different from the previous FLRA travel requirements, it will take a while to get comfortable with this new program's requirements. Several training attendees stated that they needed more information and were told to contact the Travel Administrator who will help provide or obtain the needed information. Obviously, since this new program was just implemented, it will take some time for FLRA managers and employees to know how to enter their travel requests through the E-2 Solutions Travel and address these new requirements properly.
- The FLRA component, Office of General Counsel which handled investigations and resolutions of Federal unfair labor management charges had their travel budget reduced and travel became minimal and the cases were handled on the phone because their FLRA Office of General Counsel had their travel budget diminished. As previously stated, travel budget has been severely cut throughout the FLRA for several years.
- Smart Trip Travel was implemented in the FLRA on July 1, 2008 along with an increase in the FLRA Transit Fringe Benefit from \$105.00 to \$115.00 per month. This allocation is now being issued to all employees who use the Metro trains to get to work. This program was installed by the National Business Center in July, 2008 and all FLRA employees received training for this new program.

- This internal review did not identify any specific problems with travel rental cars driving and parking or the use of Metro for work. This internal review affirmed that FLRA's Travel Program has been handled properly during this administration. The only problem is the problem with all administrative programs which related to the micromanagement by the former FLRA Executive Director.
- The FLRA has handled travel and related credit card purchases properly during this administration with one exception which involved an FLRA employee who made a copy of a FLRA Headquarters manager's parking card and used it in the Headquarters garage.

#### **RECORDS MANAGEMENT:**

- In response to a 1998 audit conducted by the National Archives the FLRA hired a contractor to address an extensive amount of findings and recommendations relating to FLRA records management. During this administration, some National Archives findings and recommendations were addressed by management but not enough to address the requirements which are still necessary for proper FLRA records management.
- The current Director of Administrative Services Division is responsible for Records Management and works with National Archives to pick up and store records and re-obtain them when necessary. The FLRA's Records Management policy was created in 1986 and has not been updated. Several line managers were unaware of their current records management requirements because this current information was not provided by senior management to line managers or employees.
- FLRA's archiving files are extensive and the FLRA is far behind reaching NARA records management requirements. This Administrative Services program needs to be addressed as soon as possible by the National Business Center.
- This FLRA Inspector General evaluation affirmed that archiving FLRA files is way behind and has not been properly addressed by management. Records Management policy should be updated and provided to all FLRA employees.

#### **PROCUREMENT/CONTRACTING:**

- After the former FLRA Contractor Officer left the FLRA in 2004, a new Contractor Officer was not hired. The Assistant Contractor left the FLRA in 2007 and until then, handled contracts under \$50,000. Other FLRA contracts were handled by the Department of Health and Human Services over the last few years. Once the Assistant Contracting Officer left the FLRA, there was no reappointment for his contracting job. The Director of Administrative Services Division served as the Contracting Officer and the Technical Representative (COTR) but had no authority to even conduct that job and had to contact the former Executive Director for everything. The Director, Administrative Services Division stated that it was much better having FLRA Contracting Officers then using other Agencies to conduct the contracting for the FLRA.

- Several line managers stated that over the last few years, all contracting for consultants and specific working issues were done by the former FLRA Executive Director without preliminary discussions with the associated FLRA managers and employees.
- The FLRA has no policy regarding contracting for the FLRA although the FLRA Inspector General created contracting instruction for Inspector General contracts. During this administration, several contractors conducted issues required by the FLRA contracts but were not implemented by the FLRA after they were completed. Also, during this administration several contracted private sector companies felt they were treated improperly and filed claims against the FLRA. Now, FLRA contracting is being conducted through the National Business Center and Department of Public Debt which is anticipated to be better.

### **MEDICARE INSURANCE:**

- The FLRA has policy for Occupational Safety and Health which was issued in 1998 and has not yet been updated and implemented in the FLRA. According to this policy, the FLRA Executive Director manages the occupational safety and health program at the organizational level and the Director of the Administrative Services Division is responsible for handling the Safety Program. During this administration, no Occupational Health training has been provided to the FLRA employees. Also, no information regarding medical information on the internet has been provided to FLRA employees. The Director of the Administrative Services Division is responsible for ensuring that proper accommodations ensure a safe working environment for persons with disabilities.
- The Director of the Administrative Services Division affirmed that the FLRA has addressed Disaster requirements but FLRA needed Headquarters and Regional Office equipments such as water, flash lights, tapes and medical requirements which should be kept in FLRA offices for emergencies. She also affirmed that the FLRA does not have a Safety and Health Committee to address issues internally.
- The former FLRA Executive Director was also the Director of Human Resources Division and was responsible for administrating FLRA Health Programs which required educating, counseling and maintaining records and information relating to injury and compensation and providing an Annual Report to the Department of Labor.
- The FLRA has properly addressed Federal employee's Medicare Insurance and has immediately addressed employees who have become ill while working. The FLRA Headquarters uses the Nurse at the Pension Benefit Guarantee Corporation which is a block away from the FLRA Headquarters Office. This nurse visits the FLRA Headquarters periodically and provides medical testing for FLRA Headquarters employees. However, not all FLRA Headquarters employees take advantage of this cost free initiative.

- Several FLRA Regional Office employees interviewed by the FLRA Inspector General were unaware of their local medical consultants however FLRA Regional Directors affirmed that they did have medical care for their staffs. Most Headquarters FLRA employees interviewed by the FLRA Inspector General felt that the FLRA Health Plans were sufficient and handled well.

### **LABOR MANAGEMENT:**

- The review was based on FLRA employee comments. Although the FLRA Inspector General made 10 calls and left messages for the FLRA President of the FLRA Union, no response was provided even though the Regional Office Director told her to contact the Inspector General several times.
- Because many Federal Unions feel that during this administration the FLRA and the previous General Council have negatively addressed their mission, by changing the Office of General Counsel policy so that there could be no settlement before complaints were affirmed, most Federal Unions have been outraged. Now, many more Federal Agencies and Unions go to the FLRA FSIP Panel for resolution of impact issues rather than filing unfair labor practice charges with the Office of General Counsel. Of course now, since there is no General Counsel, filed unfair labor practice charges can be investigated but can not be completed with a decision.
- Several FLRA Members of the Union of Authority Employees affirmed that during this administration, the FLRA Union of Authority of Employees lost its authority, stopped contacting FLRA Union of Authority Employees and has not provided information to those employees who are still in the FLRA Union of Authority Employees.
- When the former President of the FLRA Union of Authority Employees became the current Director of the Denver Regional Office, the Union Presidency was turned over to an employee of the San Francisco Regional Office. Prior to this Union of Authority Employees current President file were sent to the Denver Regional Office to the Union President and also kept in Headquarters.
- Previous to this administration, the FLRA Union was very active and interactive with FLRA management and employees. Like most other FLRA programs, the FLRA Union of Authority Employees lost its integrity and power during this administration and was abolished by the former FLRA Former Chairman and most FLRA employees resigned from the UAE.

### **CONCLUSIONS:**

- Over the last 6 years of this administration, virtually all of the FLRA administrative programs have been affected by micromanagement which was extended to all line managers and employees. During this administration FLRA employees lost consulting

with managers, had very little delegation and no authority and most were not given promotions or proper awards. Discussions between senior management and line managers and employees became extraordinarily minimal. Employee discussions of both mission related and administrative program issues increased with the FLRA Inspector General who usually recommended that they discuss their issues with their managers first. Most of these particular employees were afraid to do so because they thought they would be eliminated from their jobs. In order for the FLRA to successfully achieve their mission, there must be open communication between all levels of management and their employees. Management must state its expectations and employees must verbalize what they wish to contribute and achieve. Interaction works both ways for success.

- Although FLRA has and is improving the FLRA financial program, the Federal Agency budgets are going down again this year by 10 percent. With the recent contracting with NBC for Human Resources, Financial Management and Information Technology, FLRA's performance should definitely improve.
- Providing components with real time costs from 2003 to the present time has assisted management in becoming more aware of real time costs rates rather than items under the FLRA. Providing component managers with actual costs for the first time in 2007 since 2003 assist managers in understanding that their respective components do not exist within a vacuum.
- Management needs to understand that their job is to clearly define what administrative program's require and help people that work for them to be successful. FLRA program success should be supported by management with continuous interaction with employees. In order to recreate the FLRA, there needs to be a high level of transparency and communication between management and employees. Micromanagement needs to be totally eliminated.
- Management needs to focus on ensuring that their employees have the right professional experience to make the right decisions at the right time and are properly trained even if they are detailed or transferred to another FLRA position. Recruitment and hiring are important actions for external employees as well as internal employees.
- Management's administrative operations relating to Agency policies more than 8 years old which have not been updated or re-implemented provides a constrained framework and material weakness for the FLRA. Without current policy regarding FLRA and Congressional Federal requirements plus very little (if any) consulting between management and employees, FLRA employees do not know what they need to do or not do.
- Operating with a secure network is essential because the threats and attacks are increasing by day and the FLRA must defend itself by focusing on network security and

proper information both internally and externally. Information Technology is an important and possibly the highest management challenges in the FLRA. This administrative program needs to obtain consistency with other Federal Agencies information security requirements stated by OMB and FISMA. Management has not done in the past what is necessary to improve the information technology system did not properly used two qualified information security employees over the past 5 years and does not have nor plan to obtain the proper hardware. The issues that should absolutely be addressed are Security IRM Strategic Plan Performance Requirements for IRM employee's proper internet access to FLRA updated information by public and private sector employees. The same requirement is needed for Human Resources, Financial Systems and all other administrative programs. Fortunately, a professional Chief Financial Officer who is also acting as a Chief Information Officer has recently been hired and is consistently working with the National Business Center to address updating or creating new FLRA administrative programs. Unfortunately, he has just left the FLRA for a higher level job.

- Congress is now paying more attention to Federal Agency administrative programs to see if these programs are working or not. FLRA management has recently begun to properly address administrative program issues needing repair and/or revisions because many of the changes caused more destruction than improvement of the FLRA. Now, in 2008, with the hiring of several experienced and professional administrative program employees, there are efforts to address most of the extensive amount of administrative requirements that needed to be addressed over the last 6 years which were not addressed properly.
- Each FLRA Administrative Program should be assessed by Management relating to the purpose and design of the program, incorporate Administrative Programs into the Strategic Plan, and monitor program management and program results on a quarterly basis to affirm proper internal controls.

## **RECOMMENDATIONS:**

1. FLRA Strategic Plan focuses on mission requirements. Management should include in FLRA's Strategic Plan, administrative programs such as Budget and Performance Integration, Competitive Sourcing, Electronic Government, Human Capital and Financial Performance, Contracting, Emergency Relief, Medical Insurance and Labor Management.
2. Management should address the following issues relating to Administrative Programs to support improvement, create proper internal controls and eliminate improper programs.
  - What is the purpose of the Administrative Programs;
  - How are we set up to achieve these purposes;
  - What we plan to do with the Administrative Program in the future;
  - What is the quality and results expected in our plan;

- What is defined as success of improvement, and;
  - How accountable do we consider our achievements.
3. Management should create an IRM strategic plan to include what needs to be and will be addressed over the next few years and it should contain E-Government and FISMA requirements. As a result of this 2007 FISMA evaluation and Management Survey, the FLRA Inspector General recommends that the following issues be addressed during FY 2008. They have not yet been responded to.
  4. A Feedback mechanism needs to be established so that FLRA employees can provide their computer information technology and security concerns directly to Information Resource Management and receive timely responses to their concerns personally.
  5. FLRA should address compliance with the Government Paperwork Elimination Act so that FLRA's document management infrastructure would support electronic filing of charges and secure communication.
  6. FLRA should focus on FISMA, NIST and OMB requirements and support the FLRA Inspector Generals request to have an independent and objective audit focused on information technology and security issues.
  7. All FLRA line managers should be constantly involved with Information Resource Management Division to address their computer system issues. Information Resource Management Division employees should have the authority to respond to FLRA managers and employees.
  8. To enable work for FLRA management and employees during travel by airplanes and/or taxis, FLRA should consider providing wireless internets and dial-up accesses to laptops taken on travel.
  9. A Security Officer should be appointed/ hired by the FLRA as soon as possible.
  10. FLRA management needs to provide more clarity about what constitutes performance management and involve employees in defining successful performance.
  11. The current FLRA Acting Executive Director should discuss with FLRA employees to see if they want the FLRA Union Authority to become active again and interact with the Union President to re-establish the Union.
  12. FLRA should hire a Human Resource Officer who can interact with FLRA employees and NBC on a daily basis.
  13. The FLRA Strategic Plan needs to be updated to include administrative programs as well as mission related programs.

14. FLRA instructions and policies that are more than 7 years old should be updated and implemented as soon as possible.
15. FLRA Managers should be appointed to review applications for positions within their office/component and provide their evaluations to the Acting Executive Director, National Business Center and additional staff members.
16. FLRA Managers should focus on their annual financial budgets and ensure that their money is requested and spent properly to address their mission and administrative needs.
17. The Administrative Services Division should focus on meeting NARA records Management requirements and update FLRA's records management instruction to ensure that FLRA records are properly maintained.
18. Current FLRA Chief Financial Officer has turned FLRA contracting over to National Business Center and FLRA Financial Instructions need to be issued so that managers and employees are aware of FLRA's new policy.
19. The FLRA Local Union needs to be updated and discuss issues with the FLRA Acting Director and reconstruct the FLRA Union so it represents and properly handles its employee members.

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