



INSPECTOR GENERAL

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

MEMORANDUM

DATE: October 23, 2014

TO: Carol Waller Pope
Chairman

Ernest DuBester
Member

Patrick Pizzella
Member

FROM: Dana Rooney-Fisher
Inspector General

SUBJECT: Inspector General Identified Management Challenges

This memorandum transmits the key management and performance challenges facing the Federal Labor Relations Authority (FLRA) as identified by the Inspector General (IG).

The FLRA is required to prepare an annual performance report as well as prepare and submit audited financial statements to the President, the Office of Management and Budget, and to appropriate committees and subcommittees of Congress. The Reports Consolidation Act of 2000, Public Law 106-531, requires the IG to provide the agency head with a statement that summarizes the most serious management and performance challenges facing the agency and briefly assess the agency's progress in addressing those challenges. This statement should accompany the agency's annual performance report.

Accordingly, the attached document describes the most serious management and performance challenges facing the FLRA along with a brief assessment of management's progress in addressing them. The ongoing challenges include: information technology security and proper handling of records.

I also noted the above ongoing challenges in my prior year report dated October 23, 2013. The agency has made substantial progress in addressing these challenges as further described in the attachment. Further management has taken sufficient action to effectively mitigate the Human Resources IG identified challenge that was reported in the Fiscal Year (FY) 2013 PAR, which the Office of Inspector General (OIG) no longer considers to be a serious challenge. I appreciate management's strong commitment in tackling these challenges and look forward to working collaboratively in addressing them.

Attachment

Challenge: Security as well as information technology security

While technological advances enable increases in efficiency, they also can pose additional vulnerabilities and threats to agency operations. The agency must remain vigilant in establishing a control environment that incorporates monitoring potential Information Technology (IT) risks, threats and vulnerabilities and in mitigating them. The agency has undertaken annual reviews of the agency's information security program as required by the Federal Information Security Management Act (FISMA). The FISMA requires the FLRA to prepare a report which summarizes the findings of such reviews and submit it to the Office of Management and Budget. The report is considered non-public. The November 2013 FISMA report contained five vulnerabilities which present risks and challenges that confront management and require additional action to be fully resolved. Three of the challenges were identified in the FY 2009 FISMA Report and the remaining two were identified in the FY 2012 FISMA Report. Management's progress to address these issues was hampered by the absence of a Chief Information Officer (CIO) for much of the fiscal year.

Progress made:

Management has made significant progress in addressing certain information technology challenges identified in prior years. Such progress demonstrates that the FLRA management is serious about ensuring the agency maintains a robust information security program. However, as of the date of this report, five vulnerabilities remain unresolved. Management hired a CIO in March 2014 and has a plan to correct the remaining vulnerabilities by May 2015.

Challenge: Proper handling of records (hard copy and electronic)

Management has made progress in addressing this challenge which was mentioned in my report dated October 23, 2013. For example, The FLRA has made steady progress towards its multi-year system implementation plan goals with the completion of its E-filing case system, a very noteworthy accomplishment. This is an excellent step forward in using technology to enhance operational efficiencies by implementing systems to automate paper-based manually intensive processes. However, system automation is one part of a comprehensive approach to address the challenge of records management. Industry practices dictate that along with implementing new technology, it is imperative that a complete oversight or governance process be established which includes documenting agency policies, procedures and processes that address the proper handling of all hard copy and electronic records. Although new automated systems offer increased capabilities, they also present new internal (management) control challenges. The agency needs to ensure various roles (e.g., system administrator) and related authorities and capabilities are properly assigned, documented, managed and monitored. Such written documentation should be kept up-to-date, and this need becomes increasingly critical as additional functionality and enhancements are added to the system. Further, although, certain types of records do not have legal retention requirements, the policies, processes and procedures

should clearly and specifically instruct staff on the proper handling and management should periodically verify that such policies are being followed.

Progress made:

The FLRA has made steady progress in accomplishing its multi-year plan that spans through FY 2016. A very note worth accomplishment, throughout FY 2014, FLRA continued developing its case management systems (CMS) – which is integrated with the FLRA eFiling system – applications are now merged, creating bridges between the two systems, to support end-to-end case processing capability. FLRA recognizes the need to develop policies and procedures to provide staff with clear guidance for handling records and ensuring compliance with agency policies. Management should continue working its multi-year agenda to integrate its E-filing and other automated systems.