

OIG Office of Inspector General
Federal Labor Relations Authority

SEMIANNUAL REPORT TO CONGRESS



April 1, 2026 – September 30, 2026



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

October 1, 2026

INSPECTOR GENERAL

Dear Chairman Colleen Duffy Kiko, Member Anne M. Wagner, and Member Charles Arrington:

I am pleased to submit the Office of Inspector General's (OIG) 76th Semiannual Report to Congress, prepared in accordance with the requirements of the Inspector General Act of 1978, as amended, 5 U.S.C. §§ 401-424. This report covers audits, investigations, and other reviews and activities conducted by the OIG from April 1, 2026 through September 30, 2026.

Please note that 5 U.S.C. § 405(c) provides that the semiannual report must be transmitted by the agency head to the appropriate Congressional committees and subcommittees within 30 days after receipt of the report from the Inspector General, together with a report by the agency head as set forth in 5 U.S.C. § 405(c)(1)-(4).

During this reporting period, the OIG completed five reviews. Further information regarding these matters can be found in the enclosed report. The OIG hotline maintained a high volume of inquiries, receiving a total of 352 hotline inquiries during this reporting period. Additionally, we timely responded to all four of the requests made under the Freedom of Information Act.

The OIG appreciates the support of the Federal Labor Relations Authority (FLRA) in our efforts to provide independent oversight of FLRA's programs and operations. I look forward to working with the FLRA and Congress to improve the FLRA's programs and operations in the future.

Respectfully,

Dana A. Rooney
Inspector General

Enclosure

cc: Executive Director

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Table 1
Inspector General Act Reporting Requirements Index

IG Act Section	Description	Page
404(a)(2)	Review of Existing and Proposed Legislation and Regulations	p. 7
405(b)(1)	Description of Significant Problems, Abuses, and Deficiencies and Associated Reports and Recommendations for Corrective Action	None
405(b)(2)	Table 4: Recommendations from Prior Reports on Which Corrective Action Has Not Been Completed, Including Potential Cost Savings	p. 10
405(b)(3)	Summary of Significant Investigations Closed	None
405(b)(4)	Total Number of Convictions Resulting from Investigations	None
405(b)(5)	Table 2: Listing by Subject Matter of Each Report Issued During This Reporting Period, Including Questioned Costs, Funds Put to Better Use, and Status of Management Decisions	p. 9
405(b)(6)	Management Decisions Made During the Reporting Period for Reports Issued in a Prior Reporting Period	None
405(b)(7)	Information Described Under Section 804(b) of FFMIA	N/A*
405(b)(8)	Results of Peer Review Conducted During This Period or Date of Last Peer Review	p. 8
405(b)(9)	List of Outstanding Recommendations from Peer Review	None
405(b)(10)	List of Peer Reviews Conducted by the Office of Inspector General of Another Office of Inspector General During This Period	None
405(b)(11)	Table 3: Statistical Table of Investigative Reports and Referrals	p. 9
405(b)(12)	Description of the Metrics Used for Developing Investigative Statistics	p. 9
405(b)(13)	Investigations With Substantiated Allegations Involving Senior Government Employees	None
405(b)(14)	Description of Any Whistleblower Retaliation	None
405(b)(15)	Description of Attempts to Interfere with Inspector General Independence, Constraints on the Budget, or Restrictions or Delays in Access to Information	None
405(b)(16)	Summary of Reports Not Disclosed to the Public	None
Annex	Contract Audit Reports Issued to the Contracting Activity	None

*The referenced requirement from the Federal Financial Management Improvement Act of 1996 (FFMIA) applies only to “agencies” under the Chief Financial Officers Act of 1990; therefore, the requirement does not apply to FLRA.

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Federal Labor Relations Authority Overview

MISSION

Consistent with its statutory mandate, the Federal Labor Relations Authority's (FLRA) mission statement is: "To provide leadership in establishing policies and guidance relating to matters under the [Federal Service Labor-Management Relations Statute], and to be responsible for carrying out the Statute's purpose, which finds that labor organizations and collective bargaining in the civil service are in the public interest."

ORGANIZATION

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

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

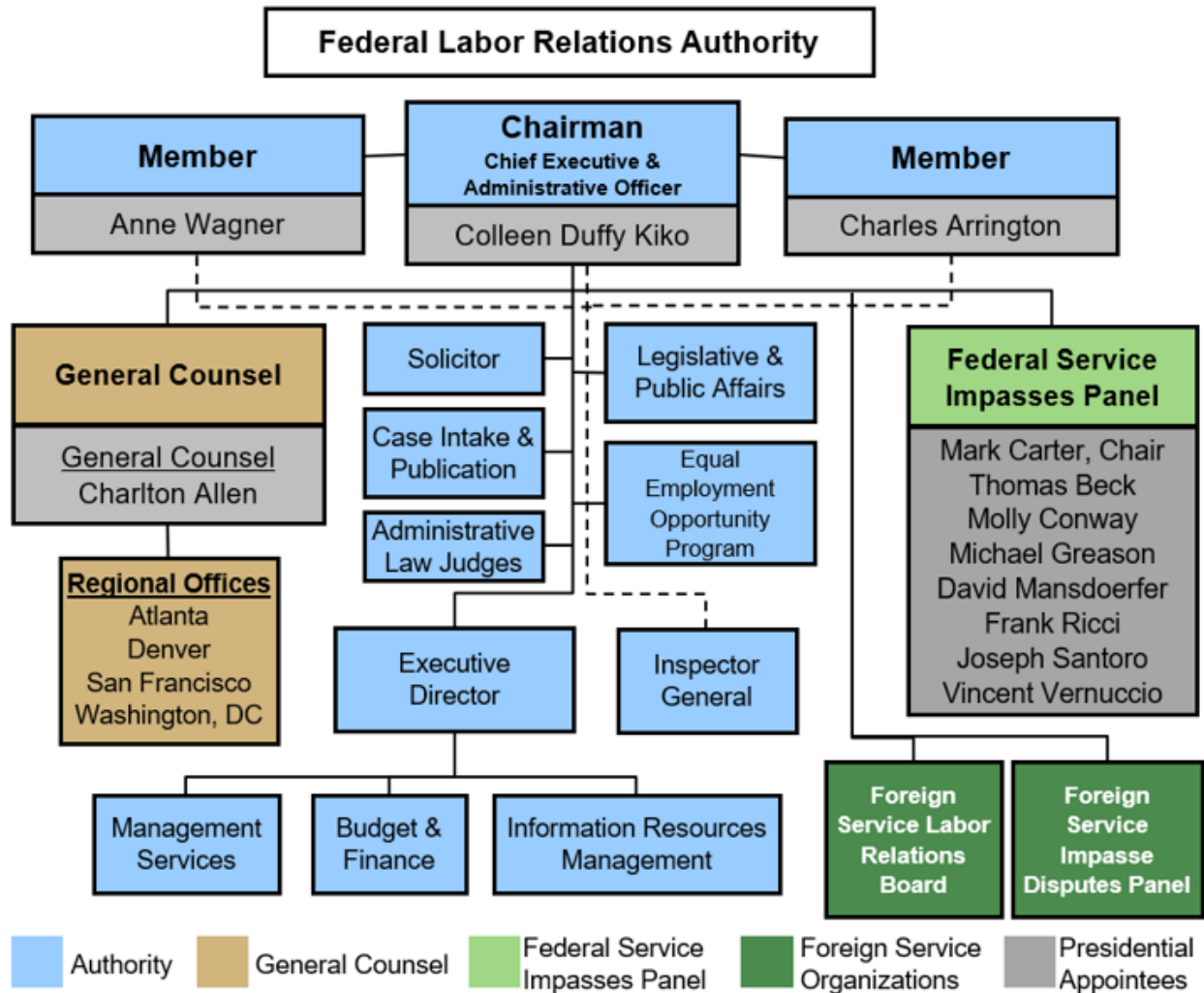
In order to perform the many and varied functions of administering and enforcing the Statute, the FLRA is organized into three distinct components: the Authority, the Office of the General Counsel, and the Federal Service Impasses Panel. All components support and engage in collaboration and alternative dispute resolution activities as an integral part of their programs. The agency also provides full program and staff support to two other organizations—the Foreign Service Labor Relations Board and the Foreign Service Impasse Disputes Panel.

FLRA's organization chart is shown in Figure 1 on the following page.

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Figure 1
Federal Labor Relations Authority Organization Chart



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Office of Inspector General Overview

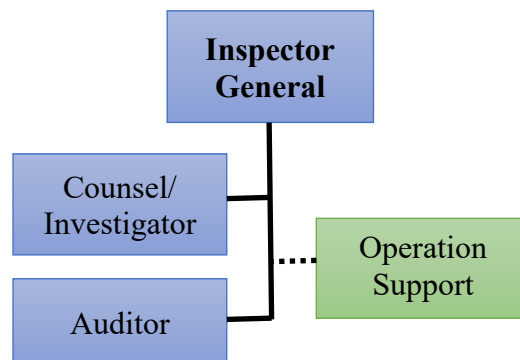
The Office of Inspector General (OIG or FLRA OIG) is an independent office established under the provisions of the Inspector General Act of 1978, as amended, 5 U.S.C. §§ 401-424 (IG Act). The FLRA OIG was established on September 25, 1989. Ms. Dana Rooney was appointed Inspector General in 2010.

The IG Act gives the Inspector General the authority and responsibility to:

1. conduct and supervise audits and investigations relating to the FLRA's programs and operations;
2. provide leadership, coordination, and recommend policies for activities designed to promote economy, efficiency, and effectiveness in the administration of the FLRA's programs and operations, and to prevent and detect fraud and abuse in the FLRA's programs and operations; and,
3. keep the Chairman, Authority Members, and Congress fully informed about problems and deficiencies, as well as the necessity for corrective action.

In addition to the Inspector General, the OIG has two additional staff: a senior auditor and the counsel who is also the OIG's investigator. The OIG uses an independent public accounting firm to perform statutorily-mandated audits under contract, such as the annual financial statement audit.

Figure 2
FLRA Office of Inspector General Organization Chart



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Office of Inspector General Activities

AUDITS AND REVIEWS

Completed Audits and Reviews

During this reporting period, the OIG issued a total of five audit and review reports.

1. Quality Assurance Review of the FLRA OIG Audit Operations for the Period April 1, 2025 through March 31, 2026, Report No. MAR-26-03 (May 11, 2026)

The OIG is required to conduct an annual review of its audit function's system of quality management. The purpose of the review is to assess whether the OIG carries out its work in accordance with:

- Established policies and procedures, including Generally Accepted Government Auditing Standards;
- Applicable Office of Management and Budget (OMB) and Government Accountability Office guidance; and,
- Statutory provisions applicable to OIG audits.

Under contract with the OIG, an independent public accounting (IPA) firm subcontracted with another IPA firm to conduct a quality assurance review of the OIG audit operations for the period April 1, 2025 through March 31, 2026. The subcontracted IPA firm concluded that the OIG's established policies and procedures for its audit function during the period reviewed were current and consistent with applicable standards as stated. Therefore, the subcontracted IPA firm reported no findings in its review.

2. Performance Audit Report on the Federal Labor Relations Authority's Privacy and Data Protection Program, Fiscal Year 2026, Report No. AR-26-05 (May 11, 2026)

An IPA firm was engaged by the OIG to conduct a privacy and data protection review for Fiscal Year (FY) 2026. The IPA firm determined that FLRA complied with the privacy and data protection requirements applicable to the agency for FY 2026. Specifically, within the scope of the audit, FLRA maintained privacy governance and oversight, documented privacy policies and incident response procedures, public-facing privacy notices, and privacy impact assessments for identified systems, and privacy training documentation for the audit period. No reportable findings were identified in the areas tested.

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3. Performance Audit Report on the Federal Labor Relations Authority's Compliance with the Federal Information Security Modernization Act of 2014 (FISMA), Report No. AR-26-06 (July 16, 2026)

The Federal Information Security Modernization Act of 2014, as amended (FISMA), requires Federal agencies to develop, document, and implement an agency-wide information security program that provides security for the information systems that support the operations and assets of the agency. FISMA assigns specific responsibilities to agency heads and the Inspectors General.

FISMA requires agencies to have an annual independent evaluation performed on their information security programs and practices and to report the evaluation results to OMB. FISMA states that the independent evaluation is to be performed by the agency Inspector General or an independent external auditor as determined by the Inspector General.

Under contract with the OIG, the IPA firm conducted an independent evaluation of FLRA's compliance with FISMA for FY 2026 using guidelines established by FISMA, OMB, and the National Institute of Standards and Technology. The IPA firm determined that the overall maturity level of the FLRA's information security program was at Level 4, Managed and Measurable, and effective. The IPA firm also determined that FLRA took steps to close out the remaining outstanding recommendation from the FY 2024 FISMA review.

4. Follow-Up on the Management Advisory Review of the Variable Week Work Schedule Program, Report No. MAR-26-04 (August 21, 2026)

The OIG conducted a follow-up review on three open recommendations from the OIG report titled, *Management Advisory Review of the Variable Week Work Schedule Program*, Report No. MAR-26-01 (January 13, 2026). In this follow-up review, we found that the FLRA took sufficient steps to address the three remaining open recommendations. Specifically, FLRA updated its Alternative Work Schedule policy and provided new training required for all FLRA employees. Consequently, the OIG closed the three recommendations.

5. Top Management and Performance Challenge for Fiscal Year 2027, MC-26-01 (September 1, 2026)

Each Inspector General is required by the Reports Consolidation Act of 2000 to provide the agency head with a statement that summarizes what the Inspector General considers to be the most serious management and performance challenges facing the agency and briefly assesses the agency's progress in addressing those challenges. The Inspector General's statement must be

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included in the agency's annual Performance and Accountability Report (PAR) or Agency Financial Report.

In the statement for this year, we identified one management and performance challenge facing the FLRA in FY 2027: the ongoing challenge of Ensuring Current and Effective Policies and Procedures, a challenge we reported last year. We also reported that the FLRA has taken sufficient action to effectively mitigate the challenges of: (1) The Continued Impact on the FLRA's Office of the General Counsel's Ability to Fulfill Its Mission Due to the Lack of a Confirmed General Counsel; and (2) Meeting Cybersecurity Requirements in a Resource-Constrained Environment, which we reported in the FY 2025 PAR statement.

On-Going Audits and Reviews

The OIG currently has the following two active engagements.

1. Audit of the Federal Labor Relations Authority's Financial Statements for Fiscal Year 2026

The FLRA is required to submit audited financial statements in accordance with the Chief Financial Officers Act of 1990, as amended. Under an OIG contract, the IPA firm is conducting an audit of FLRA's FY 2026 financial statements. We plan to issue the audit report during the first half of FY 2027.

Statement on Auditing Standards AU-C Section 260 Letter for Fiscal Year 2026

As part of the financial statements audit, the IPA firm will issue the Statement on Auditing Standards AU-C Section 260 letter, "The Auditor's Communication with Those Charged with Governance," in the first half of FY 2027. The letter provides a framework for effective communication between the auditor and client in relation to the audit of the financial statements.

Statement on Auditing Standards AU-C Section 265 Letter for Fiscal Year 2026

In connection with its audit of FLRA's financial statements, the IPA firm will issue a management letter in the first half of FY 2027.

2. Management Advisory Review of the Federal Labor Relations Authority's Return to In-Person Work

The objective of this review is to determine whether the FLRA effectively implemented Executive return to in-person work policy.

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Planned Audits and Reviews

The FLRA OIG sets forth its planned audits and reviews in its Annual Audit Plan, which is available on the FLRA OIG's website.

INVESTIGATIONS

During this semiannual period, the OIG closed no investigations.

HOTLINE

In order to facilitate reporting of allegations, the FLRA OIG maintains a hotline (see "Contacting the Office of Inspector General" below). Those who have general questions or concerns that do not fall within the FLRA OIG's jurisdiction may be referred to other entities, such as other FLRA offices, other Federal agencies, and state or local governments.

During the reporting period, we received 352 hotline inquiries. These hotline inquiries were received via the following methods: 11 telephone calls or in-person, 148 OIG website submissions, and 193 letters, emails, or fax.

FREEDOM OF INFORMATION ACT REQUESTS

The Freedom of Information Act (FOIA) allows individuals to request Federal agency records, subject to specific exemptions protecting records from disclosure. During this semiannual period, the OIG received four requests. Table 5 provides a detailed breakdown of the disposition of the requests.

LIAISON ACTIVITIES

The Inspector General is a member of the Council of the Inspectors General on Integrity and Efficiency (CIGIE), which develops plans for coordinated, Government-wide activities that address weaknesses and vulnerabilities and promote economy and efficiency in Federal programs and operations. The OIG also periodically meets with Congressional officials when requested or when circumstances or issues require such contacts.

REGULATORY REVIEW

Under the IG Act, 5 U.S.C. § 404(a)(2), it is a duty and responsibility of each Inspector General to review existing and proposed legislation and regulations relating to the programs and operations of the agency and to make recommendations concerning the

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impact of the legislation and regulations on (1) the economy and efficiency in the administration of programs and operations administered or financed by the agency, or (2) the prevention and detection of fraud and abuse in the programs and operations.

During this semiannual reporting period, the OIG made recommendations to the FLRA regarding the promulgation of final regulations under the Administrative False Claims Act, 31 U.S.C. §§ 3801-3812. The final rule was published in the Federal Register on April 23, 2026, and became effective May 26, 2026 (91 Fed. Reg. 21713). Additionally, during this semiannual reporting period, FLRA management requested and OIG provided comments on a draft operations-related internal policy.

PEER REVIEW

The IG Act requires OIGs to report the results of peer reviews of their operations conducted by other OIGs, the date of the last peer review, and outstanding recommendations from peer reviews, as well as peer reviews conducted by the OIG of other OIGs in the semiannual period. Peer reviews are conducted by member organizations of CIGIE.

During this semiannual period, the Denali Commission OIG performed a modified peer review of FLRA OIG's audit program and issued the report on July 31, 2026. The modified peer review determined that our policies and procedures were current and consistent with applicable professional standards. The reviewers did not make any recommendations. The modified peer review report is posted on our website. The next peer review of the FLRA OIG for the period ending on March 31, 2029, is scheduled to be completed before September 30, 2029. The FLRA OIG did not conduct a peer review of another OIG in this semiannual period.

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Table 2
Listing of Reports Issued During This Reporting Period

Report Number	Report Date	Report Title	Total Recs	Mgt Decision
MAR-26-03	5/11/2026	Quality Assurance Review of the FLRA OIG Audit Operations for the Period April 1, 2025 through March 31, 2026	0	N/A
AR-26-05	5/11/2026	Performance Audit Report on the Federal Labor Relations Authority's Privacy and Data Protection Program for Fiscal Year 2026	0	N/A
AR-26-06	7/16/2026	Performance Audit Report on the Federal Labor Relations Authority's Compliance with the Federal Information Security Modernization Act of 2014 (FISMA) for Fiscal Year 2026	0	N/A
MAR-26-04	8/21/2026	Follow-Up on the Management Advisory Review of the Variable Week Work Schedule Program	0	N/A
MC-26-01	9/1/2026	Top Management and Performance Challenge for Fiscal Year 2027	N/A	N/A

Note: These reports did not identify any questioned costs, unsupported costs, or funds that could be put to better use.

Table 3
Investigative Reports and Referrals

Description	Count
Number of Investigative Reports Issued	0
Number of Persons Referred to the Department of Justice for Criminal Prosecution	0
Number of Persons Referred to State and Local Prosecuting Authorities for Criminal Prosecution	0
Number of Indictments and Criminal Informations Resulting from Any Prior Referral to Prosecuting Authorities	0

Note: Data is derived from the FLRA OIG's records of investigation.

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Table 4
Recommendations from Prior Reports on Which Corrective Action Has Not Been Completed

Report Title	# Of Recs	Mgt. Decisions	Final Action Complete	Action Not Complete
Financial Statement Audit of the Federal Labor Relations Authority Fiscal Year 2025 (AR-26-01)	2	2	0	2
AU-C Section 265 Management Letter for Fiscal Year 2025 (AR-26-03)	3	3	0	3
Performance Audit Report on the Federal Labor Relations Authority's Compliance with the Payment Integrity Information Act of 2019 for Fiscal Year 2025 (AR-26-04)	4	4	1	3

Note: These reports did not identify any questioned costs, unsupported costs, or funds that could be put to better use.

Table 5
Freedom of Information Act Requests

Activity Description	Total
Number of FOIA Requests Received	4
Number of FOIA Requests Processed	4
Requests Fully Granted	0
Requests Partially Granted	1
No Records	2
Referred to Other Agencies	0
Request Withdrawn	0
Not a Proper FOIA Request	1
Duplicate Request	0
Not an Agency Record	0

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Appendix A

Statements Regarding Plain Writing and Acronyms

We adhere to the requirements set forth in the Plain Writing Act of 2010. The Act requires that Government documents be clear, concise, well-organized, and follow other best practices appropriate to the subject or field and intended audience.

The abbreviations we use in this report are listed below.

Acronym/ Symbol	Definition
§	Section
AR	Audit Report
AU-C	Auditing Standards–Clarified
CIGIE	Council of the Inspectors General on Integrity and Efficiency
FFMIA	Federal Financial Management Improvement Act of 1996
FISMA	Federal Information Security Modernization Act of 2014
FLRA	Federal Labor Relations Authority
FOIA	Freedom of Information Act
FY	Fiscal Year
IG Act	Inspector General Act of 1978
IPA	Independent Public Accounting
MAR	Management Advisory Review
N/A	Not Applicable
OIG	Office of Inspector General
OMB	Office of Management and Budget
PAR	Performance and Accountability Report
PIIA	Payment Integrity Information Act of 2019
U.S.C.	United States Code

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Appendix B

Definition of Terms

The definitions below are paraphrased from the IG Act (5 U.S.C. § 405(a)).

Term	Definition
Disallowed Cost	A questioned cost that management, in a management decision, has sustained or agreed should not be charged to the Government.
Final Action	The completion of all actions that management has concluded, in its management decision, are necessary with respect to the findings and recommendations. If management concluded that no action was necessary, final action occurs when a management decision is issued.
Management Decision	An evaluation by management of the findings and recommendations included in an audit report and the issuance of a final decision by management concerning its response to such findings and recommendations, including actions concluded to be necessary.
Questioned Cost	A cost questioned because of (a) an alleged violation of a law, regulation, contract, or other agreement or document governing the expenditure of funds; (b) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or (c) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.
Better Use of Funds	Funds that could be used more efficiently if management took appropriate action, including: (a) reductions in outlays; (b) deobligation of funds; (c) costs not incurred by implementing recommended improvements related to the operations of the establishment, or a contractor; (d) avoidance of unnecessary expenditures noted in preaward reviews of a contract; or (e) any other savings which are specifically identified.
Unsupported Costs	A cost questioned because, at the time of the audit, such cost is not supported by adequate documentation.

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CONTACTING THE OFFICE OF INSPECTOR GENERAL



If you know of fraud, waste, abuse, or misconduct relating to an FLRA program, contract, or employee, you may report it to the FLRA OIG **Hotline**:

www.flra.gov/OIG-Hotline

When reporting information, you may choose to be confidential, which means the FLRA OIG will not disclose your identity without your consent, unless the Inspector General determines that such a disclosure is unavoidable during the course of an investigation. You may instead choose to be anonymous. Anonymous reports may limit our ability to process the information you provide as we would not be able to contact you for additional information or clarification. To learn more about the FLRA OIG, visit our website at: www.flra.gov/components-offices/offices/office-inspector-general

OIG CONTACT INFORMATION

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