



National Labor Relations Board
Office of Inspector General

Annual Audit Plan

Fiscal Year 2022

October 2021

ANNUAL AUDIT PLAN

As set forth in the Inspector General Act of 1978, as amended, the Inspector General is responsible for providing policy direction and conducting, supervising, and coordinating audits relating to the programs and operations of the National Labor Relations Board (NLRB or Agency). The Office of Inspector General (OIG) maintains a planning system for assessing the nature, scope, trends, vulnerabilities, special problems, and inherent risks of Agency programs and operations.

The OIG solicited management's input regarding potential audit areas. We also considered factors that included:

- Statutory and regulatory requirements;
- Financial impact;
- Audit experience and frequency; and
- Sensitivity, newness, or changed conditions.

During our planning process, the OIG sought input from staff members on the Congressional oversight committees as well as the NLRB's senior officials and managers. We discussed their interest in the proposed topics and considered any responses in selecting the audits and inspections for inclusion in the annual audit plan.

The audit universe identifies each organization, program, function, and/or activity subject to audit. The audit universe was developed using the Fiscal Year (FY) 2022 Justification of Performance Budget for the Committee on Appropriations. The results of the Agency's review in accordance with the Federal Managers' Financial Integrity Act were used as an indicator of risk.

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AUDIT TITLE: Casehandling Efficiency

TYPE/SUBJECT: Performance/Casehandling

OFFICE: Division of Operations-Management

DESCRIPTION:

The primary function of the NLRB is the effective and efficient resolution of unfair labor practice charges (C cases) and representation petitions (R cases) filed voluntarily under the NLRA by individuals, employers, or unions. The Agency does not initiate these charges or petitions, but only acts on those brought before it. The charges and petitions are received and processed by the Agency's 48 field offices.

In December 2018, the General Counsel issued Memorandum GC 19-02 with the subject line "Reducing Case Processing Time." The memorandum stated that there was a disturbing trend in overage cases and to address that trend, the General Counsel was "vesting Divisions and Regions with wide discretion to develop systems and process they believe will enable them to meet the Agency's strategic goal." The NLRB also initiated a process to centralize the R case decision writing. The centralization involved dedicated Field Agents that write decisions. Over this same period of time, the General Counsel has developed and implemented performance-based staffing levels for the Regional Offices.

After the end of Fiscal Years 2019 and 2020, the General Counsel and Chairman issued a memorandum stating statistics supporting that Regional case processing times had improved.

OBJECTIVES:

The objectives of audit are to determine the impact and effectiveness of:

Memorandum GC 19-02;

Consolidation of Representation case decision writing; and

Performance-based staffing levels.

TIMING:

Start date – May 2021

Estimated completion date – February 2022

AUDIT TITLE: Division of Judges Audit

TYPE/SUBJECT: Performance/Administrative Law Judges

OFFICE: Division of Judges

DESCRIPTION:

The NLRB Division of Judges docket, hears, settles, and decides unfair labor practice cases. After a Regional Director issues a complaint in an unfair labor practice case, if the case is not settled or the complaint is withdrawn, an NLRB Administrative Law Judge (ALJ) hears the case and issues a decision and recommended order, which can then be appealed to the Board. ALJs are assigned to offices in Washington, D.C., New York, and San Francisco and preside at trials that take place at locations throughout the United States. During Fiscal Year 2020, the Agency reported that the Division of Judges closed 62 hearings, issued 102 decisions, and achieved 338 settlements in cases on its trial docket.

According to the Administrative Procedures Act, ALJs should be assigned to cases on a rotational basis as practicable. They also should not perform duties inconsistent with their duties and responsibilities.

OBJECTIVES:

To determine the effectiveness of internal controls to ensure that ALJ cases are appropriately assigned and that ALJ decisions are issued in a timely manner.

TIMING:

Start date – November 2021
Estimated completion date – June 2022

AUDIT TITLE: Procurement Process

TYPE/SUBJECT: Performance/Mission Support

OFFICE: Office of the Chief Financial Officer
Acquisitions Management Branch

DESCRIPTION:

The Federal government’s contracting process has many components. Contracting activities, however, can be grouped into three general categories: pre-award, administration, and closeout. These activities are administered in accordance with the Federal Acquisition Regulation (FAR).

The Office of the Chief Financial Officer’s Acquisitions Management Branch provides the acquisition function for Agency purchases that exceed the micro-purchase threshold. NLRB Contracting Officers have authority to enter into, administer, and terminate contracts; and to make related determinations and findings. Contracting Officers may bind the Government only to the extent of the authority delegated to them. Contracting Officers are responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships. Contracting Officers designate and authorize a Contracting Officer’s Representative (COR), Technical Point of Contact (TPOC), or Point of Contact (POC) on all contractual vehicles to assist in the technical monitoring or administration of a contract. CORs/TPOCs/POCs also have the primary responsibility to approve the payment of invoices.

OBJECTIVES:

The objective of the audit is to evaluate the internal controls over the acquisition process and to determine whether procurements are executed in accordance with the FAR.

TIMING:

Start date – January 2022
Estimated completion date – June 2022

AUDIT TITLE: NLRB Fiscal Year 2022 Financial Statements

TYPE/SUBJECT: Financial/Mission Support

OFFICES: Office of the Chief Financial Officer
Finance Branch
Office of the Chief Information Officer
Division of Operations-Management

DESCRIPTION:

NLRB must prepare and submit audited financial statements to the President’s Office of Management and Budget (OMB) and the Congress annually. The statements and audit report are to be incorporated into a Performance and Accountability Report (PAR) prepared by the Agency in accordance with OMB Circular No. A-136, Financial Reporting Requirements. The PAR must be submitted by November 15 following the close of the fiscal year.

The Inspector General will select an Independent Public Accountant to audit the NLRB Fiscal Year 2022 financial statements. The audit will be conducted using the Government Accountability Office (GAO)/ Council of the Inspectors General on Integrity and Efficiency's Financial Audit Manual and the GAO's Federal Information System Controls Audit Manual. The report will be prepared in accordance with generally accepted government auditing standards and OMB Bulletin No. 21-04, Audit Requirements for Federal Financial Statements.

OBJECTIVES:

The objectives of this audit are to (1) render an opinion as to whether the financial statements are fairly presented in conformity with generally accepted accounting principles, (2) report on material weaknesses and reportable conditions identified in obtaining an understanding of the Agency’s internal controls, and (3) report on the Agency’s compliance with laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations.

TIMING:

Start date – March 2022

Estimated completion date - December 2022

AUDIT TITLE: FISMA

TYPE/SUBJECT: Performance/Mission Support

OFFICE: Office of the Chief Information Officer

DESCRIPTION:

The Federal Information Security Modernization Act of 2014 (FISMA) requires agencies to develop, document, and implement an agencywide security program for the information and the information systems that support the operations and assets of the agency, including those provided by another agency, a contractor, or another source. FISMA also requires that each Inspector General perform an annual independent evaluation to determine the effectiveness of the information security program and practices of its respective agency, including testing the effectiveness of information security policies, procedures, and practices for select systems.

To support annual independent evaluation requirements, the Department of Homeland Security publishes annual FISMA reporting metrics for Inspectors General to answer. This guidance directs Inspectors General to evaluate the effectiveness of agency information security programs across a variety of attributes grouped into nine security domains: risk management, supply chain risk management, configuration management, identity and access management, data protection and privacy, security training, information security continuous monitoring, incident response, and contingency planning. Each domain is rated on a maturity level spectrum ranging from “Ad hoc” for not having formalized policies, procedures, and strategies, to “Optimized” for fully institutionalizing sound policies, procedures, and strategies across the agency.

OBJECTIVE:

The objective of this audit is to evaluate the effectiveness of the NLRB’s information security program and practices.

TIMING:

Start date – April 2022
Estimated completion date – November 2022

AUDIT TITLE: Insider Threat

TYPE/SUBJECT: Performance/Mission Support

OFFICE: Office of the Chief Information Officer

DESCRIPTION:

Insider threats involve employees using their authorized access, intentionally or unintentionally, to cause harm to an agency. These threats can include unauthorized disclosure of information, workplace violence, or the loss or degradation of an agency resources or capabilities.

Generally, the NLRB information has only unclassified information. Although not classified, the loss of information by the NLRB through an employee's intentional or unintentional loss of control of the information can cause great harm to the NLRB and the individual who have provided the information to the NLRB for use in its case processing function.

Executive Order (EO) 13556, Controlled Unclassified Information, establishes an open and uniform program for managing non-classified information that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, or Government-wide policies. The National Archives and Records Administration created a regulatory regime to implement the requirements of EO 13556, to safeguard non-classified information. Also, each year NLRB employees receive training regarding insider threats.

OBJECTIVES:

The objective of this audit is to assess whether NLRB has controls in place to prevent, deter, detect, and mitigate actions by trusted insiders and to determine the effectiveness of the NLRB's insider threat training.

TIMING:

Start Date – September 2022
Estimated completion date – March 2022

TOPICS REMOVED FROM THE PREVIOUS AUDIT PLAN

Audit Name	Audit Objective	Reason for Removal
Enterprise Risk Management	The objective of this audit is to evaluate the Agency's implementation of Enterprise Risk Management.	During the process of planning the audit, the auditor was unable to locate documentation of the NLRB's ERM program. The OIG then issued a survey to management to determine if the Agency had an ERM program. Through that process, the OIG learned that the Agency had not yet implemented an ERM program but had begun a process to address OMB's ERM requirements. Rather than continuing with the audit process, on January 12, 2021, the OIG issued a Management Implication Report suggesting that the Board ensure that the NLRB's management develop appropriate ERM policies and procedures.

AUDIT UNIVERSE FY 2016 TO PRESENT

	FY 2022 Budget				
Program Area	(\$ Million)	FTE	Organization	FMFIA Survey 2021	Reviews
Casehandling	\$175.3	1,031	GC's Immediate Office		
			Operations-Management	Complies	Backpay Payments (OIG-AMR-79-17-01) NxGen Data Accuracy (OIG-AMR-94) (ongoing) Casehandling Efficiency (OIG-AMR-97) (ongoing)
			Advice	Complies	
			Enforcement Litigation	Complies	
			Division of Legal Counsel	Complies	Freedom of Information Act (OIG-AMR-78-16-01)
			Administrative Law Judges	\$9.6	42
Board Adjudication	\$22.1	110	Board Members		
			Executive Secretary	Complies	
			Representation Appeals	Complies	
			Solicitor	Complies	
Mission Support	\$93.4	196	Office of the Chief Financial Officer		DATA Act Implementation (OIG-AMR-83-18-01) DATA Act (OIG-AMR-89-20-01) DATA Act (OIG-AMR-95-21-03)

	FY 2022 Budget				
Program Area	(\$ Million)	FTE	Organization	FMFIA Survey 2021	Reviews
			Acquisitions Management	Complies	Purchase Cards (OIG-AMR-80-18-02) Purchase Card Forensics (OIG-AMR-84-18-03)
			Budget	Complies	FY 2019 Budget Execution (OIG-AMR-91-20-04)
			Finance	Complies	NLRB Fiscal Year 2015 Financial Statements (OIG-F-20-16-01) NLRB Fiscal Year 2016 Financial Statements (OIG-F-21-17-01) NLRB Fiscal Year 2017 Financial Statements (OIG-F-22-18-01) NLRB Fiscal Year 2018 Financial Statements (OIG-F-23-19-01) Internal Controls Over Backpay Disbursements (OIG-AMR-82-19-03) Backpay Accounting (OIG-AMR-88-20-03) NLRB Fiscal Year 2019 Financial Statements (OIG-F-24-20-01)

	FY 2022 Budget				
Program Area	(\$ Million)	FTE	Organization	FMFIA Survey 2021	Reviews
					NLRB Fiscal Year 2020 Financial Statements (OIG-F-25-21-01) NLRB Fiscal Year 2021 Financial Statements (OIG-F-26) (ongoing)
			Division of Administration		
			Human Resources	Complies	Senior Executive Service Pay (OIG-AMR-86-19-01)
			Facilities and Property	Complies	
			Security	Complies	
			Employee Development	Complies	Training and Conferences (OIG-AMR-77-16-02)
			Public Affairs	Complies	
			Equal Employment Opportunity	Complies	
			Office of the Chief Information Officer	Complies	Federal Information Security Management – FY 2015 (OIG-INS-70) Federal Information Security Management – FY 2016 (OIG-INS-71) Federal Information Security Management – FY 2017 (No Number) Fiscal Year 2018 FISMA (OIG-AMR-87-

	FY 2022 Budget				
Program Area	(\$ Million)	FTE	Organization	FMFIA Survey 2021	Reviews
					19-02) Fiscal Year 2019 FISMA (OIG-AMR-90-20-02) Fiscal Year 2020 FISMA (OIG-AMR-93-21-02) Fiscal Year 2021 FISMA (OIG-AMR-96) (ongoing)
Inspector General	\$1.5	8	Inspector General		
Total	\$301.9	1,387			

AUDIT UNIVERSE REVIEWS
FY 2000 – FY 2015

INFORMATION

- Internet Web-Site User Privacy (OIG-INS-10-00-07)
- Data Accuracy in the FY 1999 NLRB Annual Report (OIG-INS-16-01-03)
- Timeliness of Posting Board Decisions (OIG-INS-23-02-03)
- Data Accuracy in the FY 2001 NLRB Annual Report (OIG-AMR-39-03-04)

BOARD MEMBERS

- Board Statistical Study (OIG-INS-49-07-01)

EXECUTIVE SECRETARY

- Board Casehandling Timeliness (OIG-AMR-26-00-02)
- Board Casehandling Reports (OIG-AMR-37-02-03)
- Cost Analysis of Serving Decisions and Orders (OIG-INS-55-08-03)
- Office of the Executive Secretary Survey (OIG-AMR-60-09-02)

REPRESENTATION APPEALS

- Survey of the Office of Representation Appeals (OIG-AMR-44-05-01)

JUDGES

- Administrative Law Judge Procedures (OIG-AMR-24)

OPERATIONS-MANAGEMENT

- NLRB's Program for Responding to Allegations which Could Result in Criminal or Administrative Actions against Agency Employees (OIG-AMR-12)
- Quality Control Program over Casehandling (OIG-AMR-17)
- Backpay (OIG-AMR-25)
- Agency Leased Vehicles (OIG-AMR-38-03-01)
- Backpay Financial Management and Reporting Requirements (OIG-INS-27-03-04)
- Merit Dismissal Procedures (OIG-INS-30-04-01)
- The Collyer Deferral Process (OIG-AMR-41-04-01)
- Regional Office Casehandling Efficiency (OIG-AMR-50-06-01)
- Witness Fees (OIG-INS-42-06-02)
- Impact Analysis (OIG-AMR-54-07-01)
- Bilingual Awards (OIG-INS-53-08-04)
- Financial Remedies and Other Settlement Terms (OIG-AMR-63-10-02)
- Case Processing Costs (OIG-AMR-64-11-02)
- Compliance with Unfair Labor Practice Procedures (OIG-AMR-68-13-01)

ADVICE

- Section 10(j) Filings (OIG-INS-29-04-02)
- FOIA Processing (OIG-INS-36-05-02)

ENFORCEMENT LITIGATION

- Compliance Actions (OIG-AMR-35-03-02)
- Office of Appeals Survey (OIG-AMR-53-06-03)

ADMINISTRATION

- Travel and Purchase Card Use (OIG-AMR-36-02-02)
- Travel and Purchase Card Transactions (OIG-INS-44)
- Continuity of Operations (OIG-AMR-55-07-03)
- Credit Union (OIG-INS-54-08-02)
- Compliance with Climate Change Initiatives (OIG-INS-67-13-01)

SECURITY

- NLRB Control over Kastle Systems Security Cards (OIG-AMR-2)
- Combination Door Lock Inspection (OIG-INS-19-01-02)
- Agency Procedures for Control of Identification Badges (OIG-INS-25-03-03)
- Personnel Security (OIG-AMR-73-15-01)

BUDGET

- Budget Execution at the NLRB for FY 1988-1991 (OIG-F-4)
- NLRB's Budget Formulation Process (OIG-F-6)
- Budget Execution (OIG-INS-41-06-04)
- Budget Submission Case Processing Data (OIG-AMR-58-08-02)

FINANCE

- NLRB Remittances (OIG-F-1)
- Accountability and Control over Imprest Funds and Travelers Checks (OIG-F-2)
- Financial Audit of FY 1996 Appropriation (OIG-F-7)
- NLRB's FY 1999 Accounting and Reporting Systems (OIG-F-8-01-01)
- Accountability and Control over Travel Advances (OIG-AMR-4)
- Alleged Improprieties of an Employee's Travel Account (OIG-AMR-5)
- Accounting and Reporting Systems in the Brooklyn Regional Office (OIG-INS-06-00-03)
- Accounting and Reporting Systems in the Cleveland Regional Office (OIG-INS-07-00-04)
- Accounting and Reporting Systems in the Seattle Regional Office (OIG-INS-08-00-05)
- Accounting and Reporting Systems in the Chicago Regional Office (OIG-INS-09-00-06)
- Agency Procedures for the Collection of Non-tax Delinquent Debt (OIG-INS-17-02-01)
- NLRB FY 2004 Financial Statements (OIG-F-9-05-01)

- Airline Ticket Purchases (OIG-AMR-46-05-03)
- Interagency Balances (OIG-INS-37-05-04)
- NLRB FY 2005 Financial Statements (OIG-F-10-06-01)
- Reimbursable Travel (OIG-INS-43-06-03)
- NLRB Fiscal Year 2006 Financial Statements (OIG-F-11-07-01)
- NLRB Fiscal Year 2007 Financial Statements (OIG-F-12-08-01)
- Tax Gap (OIG-INS-52-08-01)
- NLRB Fiscal Year 2008 Financial Statements (OIG-F-13-09-01)
- NLRB Fiscal Year 2009 Financial Statements (OIG-F-14-10-01)
- NLRB Fiscal Year 2010 Financial Statements (OIG-F-15-11-01)
- Travel Cards (OIG-AMR-66-11-01)
- NLRB Fiscal Year 2011 Financial Statements (OIG-F-16-12-01)
- NLRB Fiscal Year 2012 Financial Statements (OIG-F-17-13-01)
- NLRB Fiscal Year 2013 Financial Statements (OIG-F-18-14-01)
- Fiscal Year Sequestration - Preparation, Implementation, and Impact (OIG-AMR-72-14-02)
- NLRB Fiscal Year 2014 Financial Statements (OIG-F-19-15-01)
- Travel Cards (OIG-AMR-75-15-02)

LIBRARY AND ADMINISTRATIVE SERVICES

- Controls over Motor Vehicles and Gasoline Credit Cards (OIG-AMR-10)
- Westlaw Usage (OIG-INS-31-04-04)
- Archiving of Case Files (OIG-AMR-43-04-03)

HUMAN RESOURCES

- Overlapping Functions between the Division of Operations-Management and the Division of Administration (OIG-AMR-18)
- Employee Appraisal Process (OIG-AMR-19)
- Time and Attendance Practices (OIG-AMR-29-00-01)
- Bar Status of Agency Employees (OIG-INS-18-01-01)
- Drug Free Workplace (OIG-IA-02-01)
- Consistency in Serving Suspensions (OIG-INS-21-03-01)
- Employee Education Credentials (OIG-INS-28-03-05)
- Timeliness of Personnel Actions (OIG-AMR-42-04-02)
- Non-Standard Work Hours Compensation (OIG-AMR-47-05-04)
- Safeguarding Social Security Numbers (OIG-AMR-48-05-05)
- Agency Retirement Records (OIG-INS-38-05-03)
- Transit Subsidies (OIG-INS-40-06-01)
- FEMA Mission Assignment Process (OIG-INS-48-06-07)
- Federal Employees Compensation Act (OIG-INS-50-07-02)
- Health Services (OIG-AMR-56-07-04)

- Official Time for Union Activities (OIG-AMR-62-10-01)
- Restoration of Annual Leave (OIG-INS-58-10-01)
- Transit Subsidy (OIG-INS-62-11-03)
- Division of Administration Pilot Employee Recognition Program (OIG-AMR-71-14-01)

EMPLOYEE DEVELOPMENT

- Attendance at Agency Training (OIG-INS-26-03-02)

PROCUREMENT AND FACILITIES

- NLRB's Controls over Capitalized Property (OIG-F-5)
- NLRB's Management Controls over Advisory and Assistance Type Contracts (OIG-AMR-13)
- PCIE Coordinated Review of Government Credit Card Programs (OIG-AMR-21)
- Handicap Accessibility Inspection (OIG-INS-11-00-09)
- Certification of Toll Calls (OIG-INS-12-00-08)
- Procurement of Court Reporting Services (OIG-AMR-31-01-01)
- Review of Cellular Telephone Usage (OIG-INS-32-04-03)
- Spending for Safety Supplies and Services (OIG-INS-35-05-01)
- Monitoring Building Leases (OIG-AMR-45-05-02)
- Information Technology Procurement Actions (OIG-AMR-51-06-02)
- Procurement Actions (OIG-AMR-52-07-02)

ACQUISITIONS MANAGEMENT

- Purchase Cards (OIG-AMR-65-11-03)
- End of the Year Spending (OIG-AMR-70-12-02)

OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

- Internal Controls in the Office of Equal Employment Opportunity (OIG-AMR-67-12-01)

OFFICE OF THE CHIEF INFORMATION OFFICER

- Computer Maintenance Contract for FY 1996 and 1997 (OIG-AMR-20)
- NLRB's Efforts Regarding the Year 2000 Problem (OIG-AMR-27)
- Case Activity Tracking System (OIG-AMR-28)
- Information Systems Security (OIG-AMR-30-00-03)
- CATS Information Security (OIG-AMR-33-01-02)
- Property Controls over ADP Items (OIG-AMR-32-01-03)
- Monitoring the Computer Maintenance Contract (OIG-AMR-34-02-01)
- Computer Penetration Test (OIG-INS-20-02-02)
- FY 2002 GISRA Review (OIG-INS-24 – No Report #)
- Information Security Review of New Automated Systems (OIG-AMR-40-03-03)

- Software Licensing Agreements (OIG-INS-33-04-05)
- Federal Information Security Management Act (OIG-INS-34-No Report #)
- Federal Information System Management Act (OIG-INS-39-No Report #)
- NLRB Technology Initiatives as Related to the Rehabilitation Act (OIG-AMR-49-05-06)
- Federal Information Security Management – FY 2006 (OIG-INS-45-No Report #)
- Trusted Insider Threat (OIG-INS-47-06-05)
- Protection of Sensitive Agency Information (OIG-INS-46-06-06)
- Federal Information Security Management – FY 2007 (OIG-INS-51-No Report #)
- Office of the Chief Information Officer Procurement Functions (OIG-AMR-57-08-01)
- Federal Information Security Management – FY 2008 (OIG-INS-56)
- Laptop Computer Accountability and Security (OIG-AMR-59-09-01)
- Federal Information Security Management – FY 2009 (OIG-INS-57)
- Headquarters Productivity during Government Closure in February 2010 (OIG-INS-59-10-02)
- Federal Information Security Management – FY 2010 (OIG-INS-60)
- NxGen Penetration Test (OIG-INS-61-11-01)
- Hard Drive Failures (OIG-INS-63-11-02)
- Federal Information Security Management – FY 2011 (OIG-INS-64)
- Federal Information Security Management – FY 2012 (OIG-INS-66)
- Federal Information Security Management – FY 2013 (OIG-INS-68)
- Cloud Computing (OIG-AMR-74-14-03)
- Federal Information Security Management – FY 2014 (OIG-INS-69)

GENERAL AGENCY

- FMFIA Section 2 (OIG-AMR-14)
- FMFIA Section 4 (OIG-AMR-15)
- NLRB's Compliance with the FMFIA of 1982 (OIG-INS-04-00-01)

NLRB

- Performance Measurement (OIG-AMR-16)
- Update of Results Act Implementation (OIG-INS-05-00-02)