

FY 2012

CONGRESSIONAL BUDGET JUSTIFICATION

OFFICE OF LABOR-MANAGEMENT STANDARDS

OFFICE OF LABOR-MANAGEMENT STANDARDS

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OFFICE OF LABOR-MANAGEMENT STANDARDS

OFFICE OF LABOR MANAGEMENT STANDARDS

SALARIES AND EXPENSES

For necessary expenses for the Office of Labor-Management Standards, \$41,367,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

OFFICE OF LABOR-MANAGEMENT STANDARDS

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EXPLANATION OF LANGUAGE

In FY 2010, the Department implemented a plan to realign and streamline the former Employment Standards Administration (ESA). As a result, ESA was abolished and funding that previously was requested for the component agencies and offices under the heading “Employment Standards Administration Salaries and Expenses” is requested separately in FY 2012.

OFFICE OF LABOR-MANAGEMENT STANDARDS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2010 Comparable		FY 2011 Estimate		FY 2012 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	266	\$40,557	246	\$40,557	249	\$41,367
Reduction pursuant to (P.L. 111-8) in FY 2009	0	\$0	0	\$0	0	\$0
Other Supplementals and Rescissions	0	\$0	0	\$0	0	\$0
Appropriation, Revised	266	\$40,557	246	\$40,557	249	\$41,367
<i>Subtotal Appropriation</i>	<i>266</i>	<i>\$40,557</i>	<i>246</i>	<i>\$40,557</i>	<i>249</i>	<i>\$41,367</i>
(adjusted)	0	\$0	0	\$0	0	\$0
Comparative Transfer From:	0	\$0	0	\$0	0	\$0
Former ESA Agency	3	\$810	3	\$810	0	\$0
Unobligated Balance Carried Forward	1	\$190	0	\$0	0	\$0
<i>Subtotal</i>	<i>270</i>	<i>\$41,557</i>	<i>249</i>	<i>\$41,367</i>	<i>249</i>	<i>\$41,367</i>
B. Gross Budget Authority	270	\$41,557	249	\$41,367	249	\$41,367
Unobligated Balance Carried Forward	-1	-\$190	0	\$0	0	\$0
<i>Subtotal</i>	<i>269</i>	<i>\$41,367</i>	<i>249</i>	<i>\$41,367</i>	<i>249</i>	<i>\$41,367</i>
C. Budget Authority Before Committee	269	\$41,367	249	\$41,367	249	\$41,367
Unobligated Balance Carried Forward - Actual	1	\$28	0	\$0	0	\$0
<i>Subtotal</i>	<i>270</i>	<i>\$41,395</i>	<i>249</i>	<i>\$41,367</i>	<i>249</i>	<i>\$41,367</i>
D. Total Budgetary Resources	270	\$41,395	249	\$41,367	249	\$41,367
FTE Lapse and Unobligated Balance Expiring	-14	-\$231	0	\$0	0	\$0
E. Total, Estimated Obligations	256	\$41,164	249	\$41,367	249	\$41,367
NOTE: FY 2010 FTE includes 1 Recovery Act FTE.						

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2011 Estimate	FY 2012 Request	Net Change
Budget Authority			
General Funds	\$41,367	\$41,367	\$0
Trust Funds	\$0	\$0	\$0
Total	\$41,367	\$41,367	\$0
Full Time Equivalents			
General Funds	249	249	0
Trust Funds	0	0	0
Total	249	249	0

Explanation of Change	FY 2011 Base		Trust Funds		FY 2012 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	249	\$22,810	0	\$0	0	\$0	0	\$0
Personnel benefits	0	\$5,022	0	\$0	0	\$0	0	\$0
Employee health benefits	0	\$1,348	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
One day less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees Compensation Act (FECA)	0	\$69	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$1,031	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$3,039	0	\$0	0	\$0	0	\$0
All Other Rental	0	\$59	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$307	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$61	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services	0	\$435	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$3,303	0	\$0	0	\$0	0	\$0
Other government accounts (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other government accounts (DHS Charges)	0	\$183	0	\$0	0	\$0	0	\$0
Other purchases of goods and services from Government accounts	0	\$253	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$1	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$3,266	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$90	0	\$0	0	\$0	0	\$0
Equipment	0	\$90	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0

OFFICE OF LABOR-MANAGEMENT STANDARDS

Explanation of Change	FY 2011 Base		Trust Funds		FY 2012 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Built-Ins Subtotal	249	+\$41,367	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	249	+\$41,367	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	249	+\$41,367	0	\$0	0	\$0	0	\$0

OFFICE OF LABOR-MANAGEMENT STANDARDS

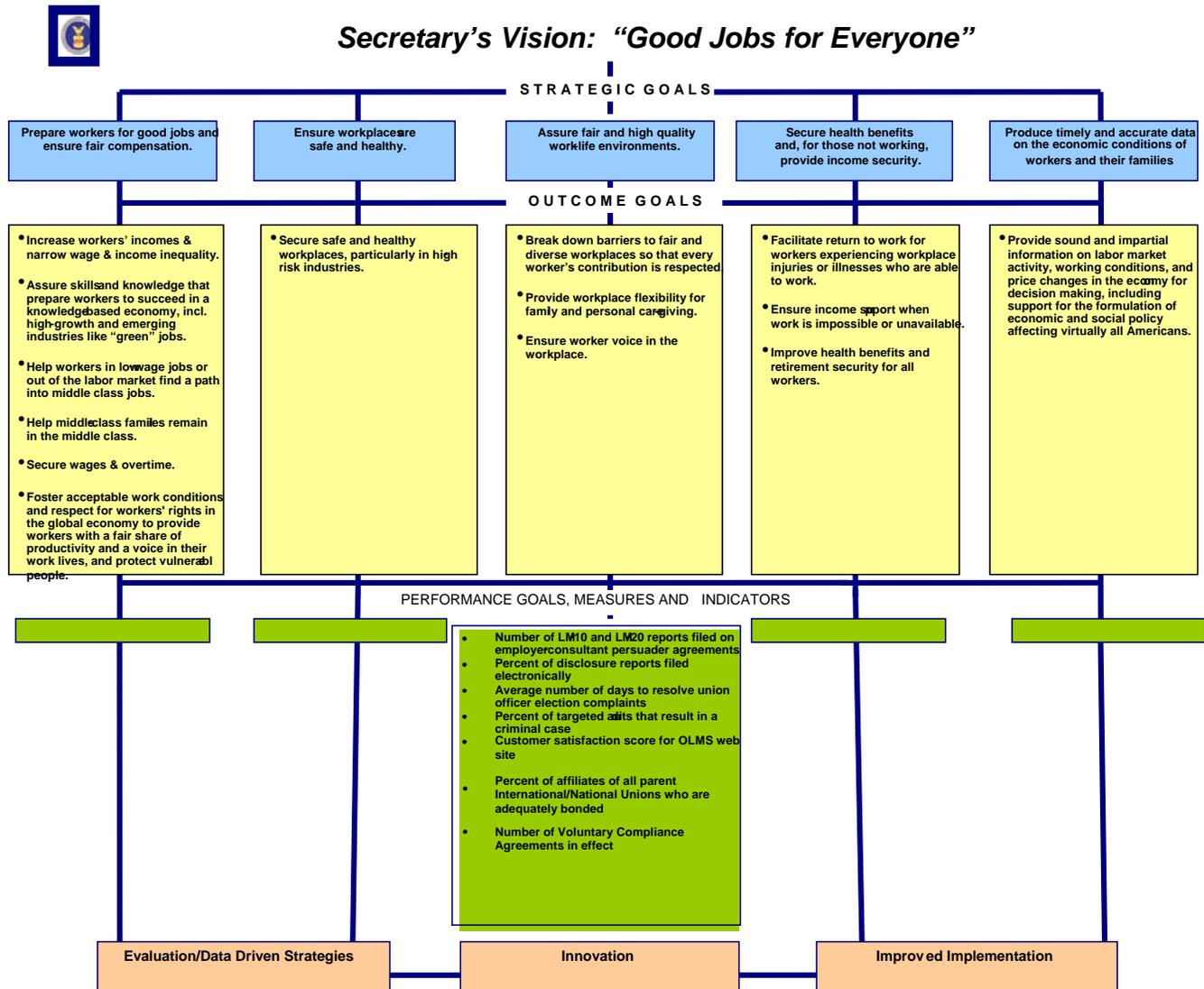
SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)						
	FY 2010 Comparable		FY 2011 Estimate		FY 2012 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Office of Labor-Management Standards	256	41,367	249	41,367	249	41,367
General Funds	256	41,367	249	41,367	249	41,367
Total	256	41,367	249	41,367	249	41,367
General Funds	256	41,367	249	41,367	249	41,367

NOTE: FY 2010 reflects actual FTE.

OFFICE OF LABOR-MANAGEMENT STANDARDS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2010 Comparable	FY 2011 Estimate	FY 2012 Request	Change FY 12 Req. / FY 10 Comp.
	Full-Time Equivalent				
	Full-time Permanent	264	244	244	-20
	Other	5	5	5	0
	Total	269	249	249	-20
	Reimbursable	0	0	0	0
	Total Number of Full-Time Permanent Positions	269	244	244	-25
	Average ES Salary	\$156,030	\$181,573	\$181,573	\$25,543
	Average GM/GS Grade	11/9	12/4	12/4	1/4
	Average GM/GS Salary	\$88,897	\$86,339	\$86,339	-\$2,558
	Average Salary of Ungraded Positions	0	0	0	0
11.1	Full-time permanent	21,501	21,220	21,235	-266
11.3	Other than full-time permanent	862	862	862	0
11.5	Other personnel compensation	728	728	728	0
11.9	Total personnel compensation	23,091	22,810	22,825	-266
12.1	Civilian personnel benefits	6,865	6,439	6,439	-426
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	805	1,031	1,031	226
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	3,039	3,039	3,039	0
23.2	Rental payments to others	59	59	59	0
23.3	Communications, utilities, and miscellaneous charges	307	307	307	0
24.0	Printing and reproduction	61	61	61	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services	435	435	435	0
25.3	Other purchases of goods and services from Government Accounts	3,258	3,739	3,724	466
25.4	Operation and maintenance of facilities	1	1	1	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	3,266	3,266	3,266	0
26.0	Supplies and materials	90	90	90	0
31.0	Equipment	90	90	90	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	41,367	41,367	41,367	0
	1/Other Purchases of Goods and Services From Government Accounts				
	Working Capital Fund	2,822	3,303	3,288	466
	DHS Services	183	183	183	0
	Services by DOL Agencies	63	63	63	0
	Services by Other Government Departments	190	190	190	0

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TOTAL BUDGETARY RESOURCES												
FY 2010 - 2012												
(Dollars in Thousands)												
	FY 2010 Comparable				FY 2011 Estimate				FY 2012 Request			
	Activity Approp.	Other Approp. ¹	Other Resrcs. ²	Total	Activity Approp.	Other Approp 1	Other Resrcs.2	Total	Activity Approp.	Other Approp.1	Other Resrcs. 2	Total
Office of Labor- Management Standards	41,367	0	0	41,367	41,367	0	0	41,367	41,367	0	0	41,367
Office of Labor- Management Standards	41,367	0	0	41,367	41,367	0	0	41,367	41,367	0	0	41,367
Total	41,367	0	0	41,367	41,367	0	0	41,367	41,367	0	0	41,367

¹ "Other Appropriation" is comprised of resources appropriated elsewhere, but for which the benefits accrue toward the operation of the budget activities. (Executive Direction and IT Crosscut)

² "Other Resources" include funds that are available for a budget activity, but not appropriated, such as reimbursements and fees.

OFFICE OF LABOR-MANAGEMENT STANDARDS

PERFORMANCE STRUCTURE

Strategic and Outcome Goals Supporting Secretary Solis' Vision of <i>Good Jobs for Everyone</i>	Supporting Budget Activities
Strategic Goal 1 – Prepare Workers for Good Jobs and Ensure Fair Compensation	
1.1 Increase workers' incomes and narrowing wage and income inequality.	
1.2 Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.	
1.3 Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.	
1.4 Help middle-class families remain in the middle class.	
1.5 Secure wages and overtime.	
1.6 Foster fair working conditions in the global economy that protect vulnerable people and provide workers with a fair share of productivity and voice in their work lives.	
Strategic Goal 2 – Ensure Workplaces Are Safe and Healthy	
2.1 Secure safe and healthy workplaces, particularly in high-risk industries.	
Strategic Goal 3 – Assure Fair and High Quality Work-Life Environments	
3.1 Break down barriers to fair and diverse work places so that every worker's contribution is respected.	
3.2 Providing flexibility for family and personal care-giving.	
3.3 Ensure worker voice in the workplace.	Office of Labor-Management Standards
Strategic Goal 4 – Secure Health Benefits and, for Those Not Working, Provide Income Security	
4.1 Facilitate return to work for workers experiencing workplace injuries or illnesses who are able to work and sufficient income and medical care for those who are unable to work.	
4.2 Ensure income support when work is impossible or unavailable.	
4.3 Improve health benefits and retirement security for all workers.	
Strategic Goal 5 – Assure the Production of Timely and Accurate Data on Social and Economic Conditions of Workers and their Families	
5.1 Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.	

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Public Law / Act	Legislation	Statute No. / US Code	Volume No.	Page No.	Expiration Date
PUB. L. 86-257	Labor-Management Reporting and Disclosure Act of 1959, as amended.	29 U.S.C. 401			N/A
PUB. L. 95-454	Civil Service Reform Act of 1978	5 U.S.C. 7101			N/A
PUB. L. 88-365	Urban Mass Transportation act of 1964, as amended.	49 U.S.C. 533 (b)			N/A
PUB. L. 102-240	Rail Passenger Service Act of 1970 as amended.	45 U.S.C. 501 et seq.			N/A
PUB. L. 91-518	Postal Reorganization Act of 1970.	39 U.S.C. 101			N/A
PUB. L. 91-375	Foreign Service Act of 1980.	22 U.S.C. 3901			N/A
PUB. L. 96-465	Congressional Accountability Act of 1995.	2 U.S.C. 1301			N/A

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APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2002	\$0	\$0	\$0	\$0	0
2003	0	0	0	34,279	297
2004	0	0	0	38,580	347
2005	0	0	0	41,681	336
2006	0	0	0	45,737	384
2007	0	0	0	47,753	313
2008	0	0	0	44,938	317
2009	0	0	0	45,726	298
2010	40,557	40,557	40,557	41,367	269
2011	45,181	0	0	0	269
2012	41,367	0	0	0	249

NOTE: FY 2009 and FY 2010 reflect amounts reallocated from the dissolution of ESA's Program Direction Support.

NOTE: A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared.

OFFICE OF LABOR-MANAGEMENT STANDARDS

OVERVIEW

Introduction – Office of Labor-Management Standards

OLMS administers the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA) and related laws. These laws primarily establish safeguards for union democracy and union financial integrity and require public disclosure reporting by unions, union officers, union employees, employers, labor consultants, and surety companies.

OLMS also administers employee protections under various Federally-sponsored transportation programs that require fair, equitable protective arrangements for transit employees when Federal funds are used to acquire, improve, or operate a transit system. These arrangements must be approved by the Department of Labor (DOL) before Federal funds may be released to grantees.

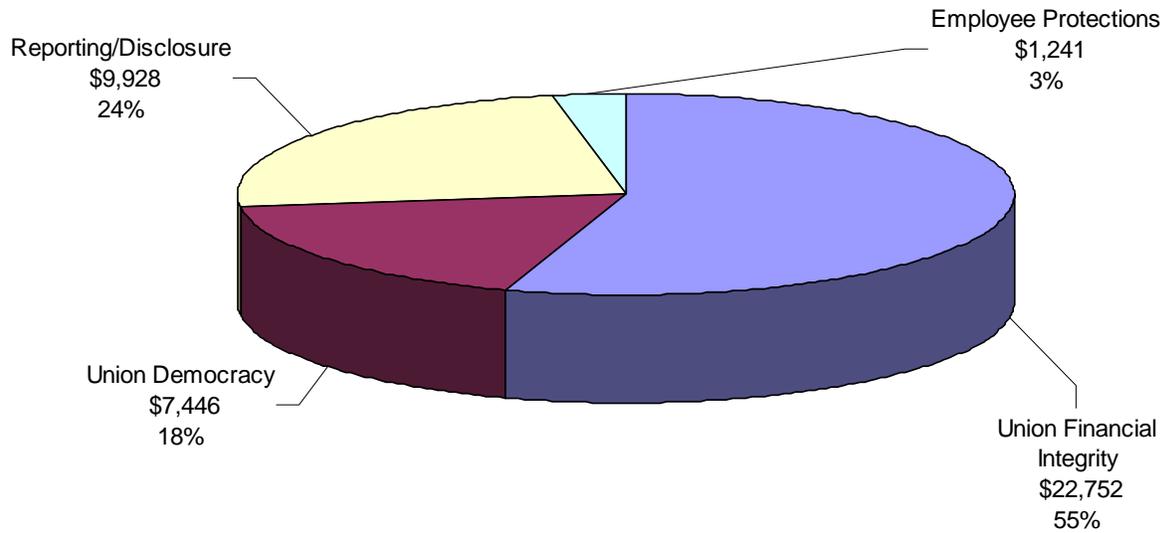
OLMS comprises a nationwide staff of investigators, supervisors, analysts, accountants, and administrative employees who share responsibilities for enforcing the laws OLMS administers. OLMS' enforcement responsibilities protect labor unions and protect workers. It thereby directly supports the Secretary's vision of "*good jobs for everyone*" and contributes to the Departmental outcome of assuring workers "*a voice in the workplace*".

Cost Model

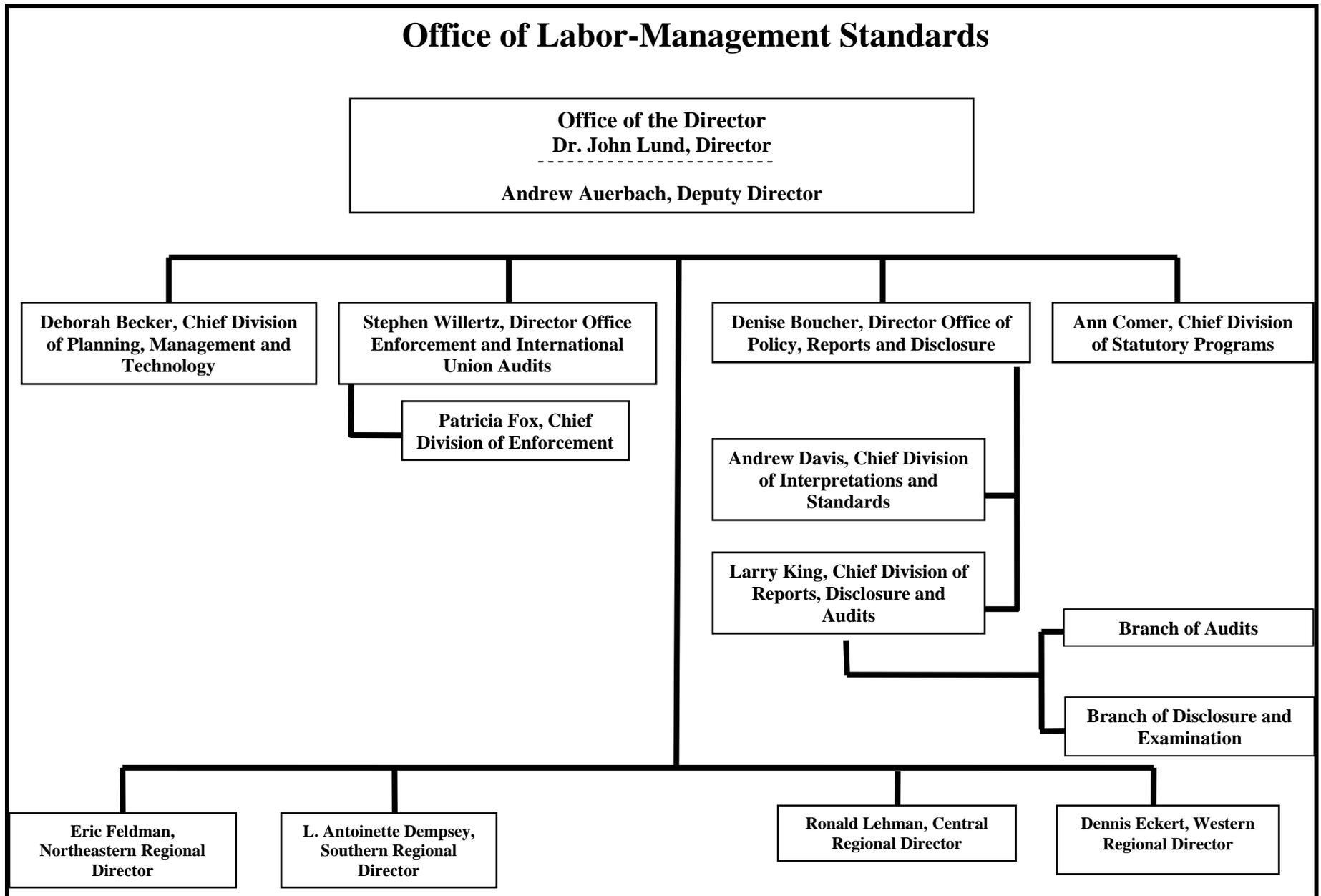
OLMS requests a total of \$41,367,000, at the same level as the FY 2010 Enacted level. The funding request will enable OLMS to maintain a core enforcement level for program statutes delegated to OLMS and to continue the OLMS core mission.

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FY 2012 Budget Request by Budget Activity
Total OLMS Budget Request \$41,367,000
(Dollars in Thousands)



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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2010 Comparable	FY 2011 Estimate	FY 2012 Request	Diff. FY 12 Req. / FY 10 Comp.
Budget Authority	41,367	41,367	41,367	0
FTE	256	249	249	-7

NOTE: FY 2010 reflects actual FTE utilization of which one was Recovery Act. Authorized FTE for FY 2010 was 269.

Introduction

OLMS realizes the Department's FY 2012 budget themes by strengthening its regulatory programs and improving transparency and public disclosure. Reporting and public disclosure are core requirements of the LMRDA. OLMS ensures that workers have ready access to critical information about their labor union, their employers, their collective bargaining agreements, and efforts to influence their decisions on whether to organize and bargain collectively. Labor unions covered by the LMRDA, and related laws, are required to file annual financial reports with OLMS. Other reports must be filed by union officers, union employees, employers, labor consultants, and surety companies. OLMS operates an electronic reporting system for LMRDA reports and an Internet-based public disclosure system that provides public access to information from filed reports

Investigation of labor union officer elections and embezzlement of union funds are OLMS' major enforcement activities. OLMS opens an investigation of union officer elections upon the receipt of a complaint from a member that the election was flawed or undemocratic. Embezzlement investigations are opened when OLMS receives credible information indicating fraud or misappropriation of union funds. OLMS conducts union audits under the compliance audit program (CAP) to determine overall compliance with the LMRDA, detect possible union fund embezzlements, and provide compliance assistance to union officials.

Additionally, OLMS has the responsibility under the Federal Transit Act (FTA) to certify that labor protections are in place prior to the approval of Federal transit grants. An employer who receives Federal mass transit funds must protect all covered mass transit employees affected by the use of the Federal money. The law specifies that arrangements must be in place that provide for the preservation of rights and benefits of employees under existing collective bargaining agreements, continuation of collective bargaining rights, protection of individual employees against a worsening of their positions in relation to their employment, assurances of employment to employees of acquired transit systems, priority of reemployment, and paid training or retraining programs. OLMS must approve the arrangements made to protect these employees.

OLMS has begun implementing the following initiatives:

- Increase the number of reports filed by employers and consultants who make agreements to persuade employees with regard to their rights to organize and bargain collectively.
- Increase the percent of disclosure reports filed electronically.

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- Improve timeliness in resolving complaints filed by labor union members that their union violated democratic standards for conducting union officer elections.
- Increase effectiveness of audits by focusing resources on labor unions most likely to be in violation of the law.
- Improve the Internet public disclosure service and public access to information reported by unions, union officers, union employees, employers, labor consultants, and surety companies under the Act
- Reduce the number of delinquent filers of Labor Organization Annual Financial Reports.
- Reduce the number of chronically delinquent filers of Labor Organization Annual Financial Reports.
- Increase provision of compliance assistance to national and international labor organizations to increase their affiliates' LMRDA compliance by developing, implementing, and doubling the number of voluntary compliance agreements to establish goals, baselines, and measures for improving recordkeeping, reporting, and internal controls.
- Improve compliance with minimum bonding requirements of local and intermediate union affiliates by working closely with their parent national and international unions, including those who are not party to a voluntary compliance agreements.

Through these initiatives, OLMS strives to ensure that workers can be better informed and more effective participants in the governance of their unions. Further, these initiatives will allow workers to make informed decisions about union representation, and, through more fiscally responsible and democratic unions, have greater impact through collective bargaining and workplace representation to secure a real voice in their workplace and to build better lives for themselves and their families. In the absence of labor union democracy, labor-management transparency, and labor union financial security, workers would be poorly positioned to have a meaningful say in their workplace, their community, and in society. Hence, with these protections in place, labor unions are stronger, can provide workers with “*a voice in the workplace*”, and help achieve the Secretary’s vision of “*good jobs for everyone*”.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2007	\$47,753	313
2008	\$44,938	317
2009	\$45,726	298
2010	\$41,367	269
2011	\$0	269

NOTE: A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared.

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FY 2012

At the funding level of \$41,367,000, OLMS will maintain its core function: administering the LMRDA and employee protection under the Federal Transit Administration.

OLMS will continue to conduct union audits under the compliance audit program (CAP) to determine the overall compliance with the LMRDA, detect possible union fund embezzlements, and provide compliance assistance to union officials. OLMS will improve its audit targeting methods to more effectively identify fraud and embezzlement, investigate union officer election complaints in fewer days, and increase financial transparency by reducing delinquency in the filing of disclosure forms.

Additionally, under the Federal Transit Act, OLMS will continue to certify that labor protections are in place prior to the approval of Federal transit grants.

In FY 2011, OLMS will eliminate from its organizational structure and operating plan a unit dedicated to audits of international unions. OLMS has determined that these expenses, which resulted in seven or eight audits on average per year, will be better used in core mission work. Overhead, including office rental expenses, associated with this function had already been eliminated in FY 2009. The reduction in FTE reflects the impact of this and other changes that were required as a result of operating under the Continuing Resolution level.

FY 2011

Figures shown for FY 2011 reflect the annualized Continuing Resolution level as a full-year appropriation has not been enacted at the time the budget was produced. Since this level is based on the FY 2010 enacted level, operations under a full-year Continuing Resolution would be consistent with those described in the FY 2010 section.

FY 2010

After the reprogramming of funds formerly provided for program direction in support in the eliminated Employment Standards Administration, the OLMS FY 2010 funding level was \$41,367,000. At this level, OLMS accomplished core program work and continued to advance the employee protections programs and the mission of the LMRDA.

While OLMS reduced its compliance audit program in FY 2010, improved targeting has maintained results. For FY 2010, 14.6% of targeted audits resulted in a criminal case being opened, as compared with 12.1% in FY 2009. Similarly, in FY 2010, OLMS recorded more indictments, more convictions, and more election case investigations than in FY 2009. Further, OLMS recorded 130 criminal convictions in FY 2010 more than the yearly average for the prior four-year period.

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DETAILED WORKLOAD AND PERFORMANCE				
	FY 2010 Enacted		FY 2011 Estimate	FY 2012 Request
	Target	Result	Target	Target
Office of Labor-Management Standards				
Strategic Goal 3 - Assure fair and high quality work-life environments	--	--	--	--
Outcome Goal 3.3 - Ensure worker voice in the workplace	--	--	--	--
Number of LM-10 and LM-20 reports filed on employer-consultant persuader agreements	(base)	474	545	615
Percent of disclosure reports filed electronically	18.50%	20.60%	24.50%	30.50%
Average number of days to resolve union officer election complaints	84	81	80	78
Number of delinquent filers of labor organization financial reports	--	5,551	5,401	5,251
Number of chronically delinquent filers of labor organization financial reports	--	2,070	1,970	1,870
Percent of targeted audits that result in a criminal case	12.50%	14.60%	13.00%	13.50%
Number of Voluntary Compliance Agreements in effect	10 (base)	10	10	20
Customer satisfaction score for OLMS web site users	58	58	59	60
Criminal Investigations	354	356	300	300
International Compliance Audits	4	1	--	--
Compliance Audits	200	541	300	200
Reports Processed	35,000	31,200	31,000	31,000
Delinquent Report Investigations	2,000	2,570	2,000	2,000
Deficient Report Investigations	700	570	450	450
Union Officer-Employee/Employer/Consultant Report Investigations	100	174	100	100
Election Investigations	130	145	130	130
Supervised Elections	35	29	35	35
Trusteeship Investigations	12	10	12	12
Basic Investigations	80	83	70	70
Participant Hours of Compliance Assistance provided	(base)	25,967	25,000	25,000
Employee Protections Certifications	2,400	2,490	2,400	2,400
Claims Arbitrated	5		2	2

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

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Investigation of union officer elections and embezzlement of union funds are the program's two major enforcement activities. Reporting and public disclosure are core requirements of the LMRDA. Labor unions covered by the LMRDA and related laws are required to file annual financial reports with OLMS. Other reports must be filed by union officers, union employees, employers, labor consultants, and surety companies. OLMS operates an electronic reporting system for LMRDA reports and an Internet-based public disclosure system that provides public access to information from filed reports. Additionally, OLMS has the responsibility, under the FTA, to certify that labor protections are in place prior to the approval of Federal transit grants.

A major strategy for OLMS is to conduct union audits under the compliance audit program (CAP), to determine overall compliance with the LMRDA, detect possible union fund embezzlements, and provide compliance assistance to union officials. OLMS strives to ensure continuing improvement in the ability of the compliance audit program to identify embezzlement, which is reflected in the agency's performance measure to increase the "percent of targeted audits that result in a criminal case". By continually improving targeting measures that identify instances where embezzlement is more likely to have occurred, OLMS can more effectively and efficiently use resources to improve protection of union member assets.

In addition to audits of local unions under the CAP program, which have been an effective means for OLMS to ensure financial integrity, OLMS also had a separate international union compliance audit program (I-CAP). While the principal objective is to uncover embezzlements and other criminal and civil violations of the LMRDA, a second objective is to provide effective grassroots compliance assistance to union officials. OLMS plans to conduct 200 CAP audits and zero I-CAP audits in FY 2012.

OLMS has endeavored to effectively use the internet and other advances in information technology. By updating its underlying technology base and implementing improvements in its online presence, OLMS has made it easier for unions to file reports, for the public to access these reports, and for OLMS to cost-effectively deliver compliance materials. Results of these efforts are measured by the customer satisfaction score for users of our website.

Timely public disclosure of LMRDA reports is essential in promoting transparency, union democracy, and financial integrity. Accordingly, OLMS has established four new performance measures to ensure effective administration of its reporting program. During FY 2010, baselines were established for the following indicators: 1) Customer satisfaction score for OLMS website users, 2) Number of "persuader" reports filed by employers and consultants, 3) Number of delinquent union filers, and 4) Number of chronically delinquent union filers. Review of delinquent (untimely) filings by unions indicate that there are two groups – unions that are occasionally late in filing their annual reports and unions that have a consistent pattern of late filing. There is significant overlap between these two groups of unions. OLMS expects to use outreach and liaison efforts to reduce both periodic and chronic delinquency.

OLMS has changed the method of calculation for the compliance assistance workload measure from the number of sessions to the actual number of participant hours of assistance provided. Participant hours reflect the number of attendees multiplied by the hours of instruction. As such,

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a new baseline for this measure was computed during 2010 and a target of 25,000 participant hours annually was established.

All of OLMS' program efforts and the strategies associated with its efforts are geared toward ensuring that OLMS continues to operate in an efficient and effective manner. OLMS will continue to assess the rigor and usefulness of its performance measures, share best practices among its field staff, analyze its underlying data to ensure that targets are realistic, and evaluate its programs and procedures to determine if changes in operating guidelines or staffing are necessary. Performance measures help form the basis of OLMS' day-to-day management and decision-making. Program strategies are designed to help reach and exceed performance goals. Internal evaluations are used to identify and correct/improve weaknesses in programs and information about necessary changes is shared with staff. Where current performance measures are no longer adequate or conducive to support program priorities, OLMS expects to develop new and appropriate measures that will continue to reflect program effectiveness.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2010 Comparable	FY 2011 Estimate	FY 2012 Request	Change FY 12 Req. / FY 10 Comp.
11.1	Full-time permanent	21,501	21,220	21,235	-266
11.3	Other than full-time permanent	862	862	862	0
11.5	Other personnel compensation	728	728	728	0
11.9	Total personnel compensation	23,091	22,810	22,825	-266
12.1	Civilian personnel benefits	6,865	6,439	6,439	-426
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	805	1,031	1,031	226
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	3,039	3,039	3,039	0
23.2	Rental payments to others	59	59	59	0
23.3	Communications, utilities, and miscellaneous charges	307	307	307	0
24.0	Printing and reproduction	61	61	61	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services	435	435	435	0
25.3	Other purchases of goods and services from Government Accounts	3,258	3,739	3,724	466
25.4	Operation and maintenance of facilities	1	1	1	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	3,266	3,266	3,266	0
26.0	Supplies and materials	90	90	90	0
31.0	Equipment	90	90	90	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	41,367	41,367	41,367	0
1/Other Purchases of Goods and Services From Government Accounts					
	Working Capital Fund	2,822	3,303	3,288	466
	DHS Services	183	183	183	0
	Services by DOL Agencies	63	63	63	0
	Services by Other Government Departments	190	190	190	0

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CHANGES IN FY 2012

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
Employee health benefits	0
Moving allowance	0
One day less of Pay	0
Federal Employees Compensation Act (FECA)	0
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
All Other Rental	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services	0
Working Capital Fund	0
Other government accounts (Census Bureau)	0
Other government accounts (DHS Charges)	0
Other purchases of goods and services from Government accounts	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$0**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$41,367	249