

FY 2021

CONGRESSIONAL BUDGET JUSTIFICATION

OFFICE OF LABOR-MANAGEMENT STANDARDS

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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,
[\$43,187,000] *\$50,410,000*.

(Department of Labor Appropriations Act, 2020.)

OFFICE OF LABOR-MANAGEMENT STANDARDS

EXPLANATION OF LANGUAGE CHANGE

Appropriations language was not changed.

OFFICE OF LABOR-MANAGEMENT STANDARDS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	186	\$41,187	195	\$43,187	238	\$50,410
<i>Subtotal Appropriation</i>	<i>186</i>	<i>\$41,187</i>	<i>195</i>	<i>\$43,187</i>	<i>238</i>	<i>\$50,410</i>
Offsetting Collections From:						
Transfer from ETA SUIESO (Pursuant to P.L.115-245)	0	\$1,235	0	\$0	0	\$0
B. Gross Budget Authority	186	\$42,422	195	\$43,187	238	\$50,410
Offsetting Collections From:						
Transfer from ETA SUIESO (Pursuant to P.L.115-245)	0	-\$1,235	0	\$0	0	\$0
Shared Services Realignment	-2	\$0	-2	\$0	0	\$0
C. Budget Authority Before Committee	184	\$41,187	193	\$43,187	238	\$50,410
Offsetting Collections From:						
Transfer from ETA SUIESO (Pursuant to P.L.115-245)	0	\$1,235	0	\$0	0	\$0
D. Total Budgetary Resources	184	\$42,422	193	\$43,187	238	\$50,410
Additional FTE and Unobligated Balance Expiring	3	-\$39	0	\$0	0	\$0
Shared Services Realignment	2	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	189	\$42,383	193	\$43,187	238	\$50,410

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2020 Enacted	FY 2021 Request	Net Change
Budget Authority			
General Funds	\$43,187	\$50,410	+\$7,223
Total	\$43,187	\$50,410	+\$7,223
 Full Time Equivalents			
General Funds	193	238	45
Total	193	238	45

Explanation of Change	FY 2021 Change							
	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	193	\$21,546	0	\$0	0	\$410	0	\$410
Personnel benefits	0	\$7,922	0	\$0	0	\$0	0	\$0
Employee health benefits	0	\$0	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	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$944	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$2,700	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$20	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$242	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$45	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$455	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$6,567	0	\$0	0	\$0	0	\$0
Other Federal sources (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$280	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$437	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$0	0	\$0	0	\$0	0	\$0

OFFICE OF LABOR-MANAGEMENT STANDARDS

Explanation of Change	FY 2021 Change							
	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operation and maintenance of equipment	0	\$1,829	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$34	0	\$0	0	\$0	0	\$0
Equipment	0	\$85	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
Built-Ins Subtotal	193	+\$43,106	0	\$0	0	+\$410	0	+\$410
B. Programs:								
Core Enforcement Program Increase	193	\$43	0	\$0	45	\$6,925	45	\$6,925
Programs Subtotal			0	\$0	45	+\$6,925	45	+\$6,925
Total Increase	193	+\$43,106	0	\$0	45	+\$7,335	45	+\$7,335
Decreases:								
A. Built-Ins:								
To Provide For:								
One day less of Pay	0	\$0	0	\$0	0	-\$111	0	-\$111
Federal Employees' Compensation Act (FECA)	0	\$81	0	\$0	0	-\$1	0	-\$1
Built-Ins Subtotal	0	+\$81	0	\$0	0	-\$112	0	-\$112
B. Programs:								
Shared Services Realignment	2	\$0	0	\$0	-2	\$0	-2	\$0
Programs Subtotal			0	\$0	-2	\$0	-2	\$0
Total Decrease	0	+\$81	0	\$0	-2	-\$112	-2	-\$112
Total Change	193	+\$43,187	0	\$0	43	+\$7,223	43	+\$7,223

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)								
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request		Diff. FY21 Request / FY20 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Office of Labor-Management Standards	187	42,422	193	43,187	238	50,410	45	7,223
General Funds	187	42,422	193	43,187	238	50,410	45	7,223
Total	187	42,422	193	43,187	238	50,410	45	7,223
General Funds	187	42,422	193	43,187	238	50,410	45	7,223

NOTES: 2019 reflects actual FTE. FTE for all years reflect the Shared Services Realignment.

OFFICE OF LABOR-MANAGEMENT STANDARDS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
	Full-Time Equivalent				
	Full-time Permanent	185	192	237	45
	Other	1	1	1	0
	Total	186	193	238	45
	Average ES Salary	\$184,454	\$191,788	\$193,705	\$1,917
	Average GM/GS Grade	12/8	12/8	12/8	0
	Average GM/GS Salary	\$103,965	\$100,812	\$90,477	-\$10,335
11.1	Full-time permanent	20,105	20,694	24,754	4,060
11.3	Other than full-time permanent	59	59	59	0
11.5	Other personnel compensation	793	793	793	0
11.9	Total personnel compensation	20,957	21,546	25,606	4,060
12.1	Civilian personnel benefits	7,732	8,003	10,264	2,261
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,031	944	1,846	902
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	2,700	2,700	2,700	0
23.2	Rental payments to others	20	20	20	0
23.3	Communications, utilities, and miscellaneous charges	242	242	242	0
24.0	Printing and reproduction	45	45	45	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	455	455	455	0
25.3	Other goods and services from Federal sources 1/	7,290	7,284	7,284	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	1,829	1,829	1,829	0
26.0	Supplies and materials	36	34	34	0
31.0	Equipment	85	85	85	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	42,422	43,187	50,410	7,223
	1/Other goods and services from Federal sources				
	Working Capital Fund	6,573	6,567	6,567	0
	DHS Services	280	280	280	0
	Services by DOL Agencies	336	336	336	0
	GSA Services	14	14	14	0
	Services by Other Government Departments	87	87	87	0

NOTE: FTE for all years reflect the Shared Services Realignment.

OFFICE OF LABOR-MANAGEMENT STANDARDS

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	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

OFFICE OF LABOR-MANAGEMENT STANDARDS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2011					
Base Appropriation	\$45,181		\$41,367	\$40,476	247
2012					
Base Appropriation	\$41,367			\$41,289	230
2013					
Base Appropriation...1/	\$41,771			\$39,129	228
2014					
Base Appropriation...2/	\$46,891			\$39,129	218
2015					
Base Appropriation	\$41,236			\$39,129	215
2016					
Base Appropriation	\$46,981	\$36,000	\$42,000	\$40,593	209
2017					
Base Appropriation	\$45,691			\$38,187	196
2018					
Base Appropriation	\$46,634	\$41,129		\$40,187	189
2019					
Base Appropriation...3/	\$46,634		\$40,187	\$41,187	186
2020					
Base Appropriation...4/ 5/	\$49,134	\$40,187		\$43,187	193
2021					
Base Appropriation...5/	\$50,410				238

1/ FY 2013 reflect a 0.2% across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

2/ FY 2014 reflect the Appropriations amount passed as part of P.L. 113-76, which did not include any rescissions.

3/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

4/ FY 2020 - This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

5/ FY 2020 and FY 2021 – FTE for FY 2020 and FY 2021 reflect the Shared Services Realignment

OFFICE OF LABOR-MANAGEMENT STANDARDS

Introduction

The Office of Labor-Management Standards (OLMS) administers the Labor-Management Reporting and Disclosure Act (LMRDA) and related laws. These laws promote financial integrity by imposing protections on labor union assets, transparency by requiring public disclosure reporting by unions, union officials, employers, labor consultants, and surety companies, and democracy by establishing standards for conducting union officer elections. As an enforcement agency, OLMS supports DOL Strategic Goal 2 – *Promote Safe Jobs and Fair Workplaces for All Americans*, through its efforts under Strategic Objective 2.7 – *Promote Union Financial Integrity, Transparency and Democracy*.

OLMS also administers employee protections under various federally sponsored transportation programs that require protective arrangements for transit employees. These arrangements must be approved by OLMS before federal funds may be released to grantees.

OLMS focuses on improving program effectiveness and efficiency in support of the agency's three priority performance goals:

1) Increase the percentage of compliance audits that lead to criminal investigations:

The OLMS Compliance Audit Program (CAP) is designed to detect embezzlements and other criminal and civil violations of the LMRDA in labor organizations, using specialized auditing, investigating, and report writing techniques. In FY 2009, OLMS established a goal to increase the rate at which audits of labor unions result in the opening of a criminal investigation (the “fallout” rate). This increase is accomplished by identifying and prioritizing audits of unions that have indications that fraud or embezzlement might have occurred. The program has two complementary goals: 1) protect union members’ financial assets through criminal investigations of fraud and embezzlement; and 2) educate union officials on LMRDA requirements regarding financial bookkeeping and reporting. Better audit targeting also helps prevent enforcement and audit activities from imposing undue burden on unions that are in compliance with the LMRDA and makes the best use of government resources. OLMS seeks to identify at-risk unions by making better use of information reported to OLMS on union financial reports, historical internal data, and intelligence from union members, other law enforcement agencies, etc. OLMS will continue to evaluate union financial reporting data and internal data to increase the fallout rate over time.

2) Increase the percentage of required reports filed electronically:

Unions must file annual financial reports (Forms LM-2, LM-3, LM-4, or simplified filings) with OLMS. Unions must also file trusteeship reports (Forms LM-15, LM-16) when supervision is established over a subordinate body. Other entities and persons – employers (Form LM-10), labor relations consultants (Forms LM-20, LM-21), union officers and employees (Form LM-30), and surety companies (Form S-1) – are also required to file reports under specified circumstances.

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Regulations require unions to submit their annual financial reports electronically. The direct benefits of electronic filing include ease of filing, increased transparency, and cost savings both to filers and the government. This effort is in line with the President's Management Agenda (PMA) Cross-Agency Priority Goal 4 (CAP Goal 4): *Improving Customer Experience with Federal Services*. CAP Goal 4 calls for Federal agencies to improve digital services and modernize the customer experience. In addition, electronic filing supports CAP Goal 2 *Data Accountability and Transparency*, which directs agencies to develop policies and procedures that enable stakeholders to effectively and efficiently access and use data assets. Agencies achieve this goal by: 1) improving dissemination, making data available more quickly and in usable formats; 2) maximizing the amount of non-sensitive data shared with the public; and, 3) leveraging best practices and new technologies to increase access to sensitive or restricted data while protecting the privacy, security and confidentiality, and interests of data providers.

OLMS hosts an electronic filing system for LM-2, LM-3, LM-4, LM-10, LM-20, LM-21 and LM-30 filers, which ensures that the majority of filers have access to electronic filing. Electronic filing is currently mandatory only for LM-2, LM-3, and LM-4 filers. OLMS continues to develop electronic versions of the remaining forms and promote the use of the electronic filing system through compliance assistance and other activities.

3) Reduce the number of elapsed days for investigating union election complaints:

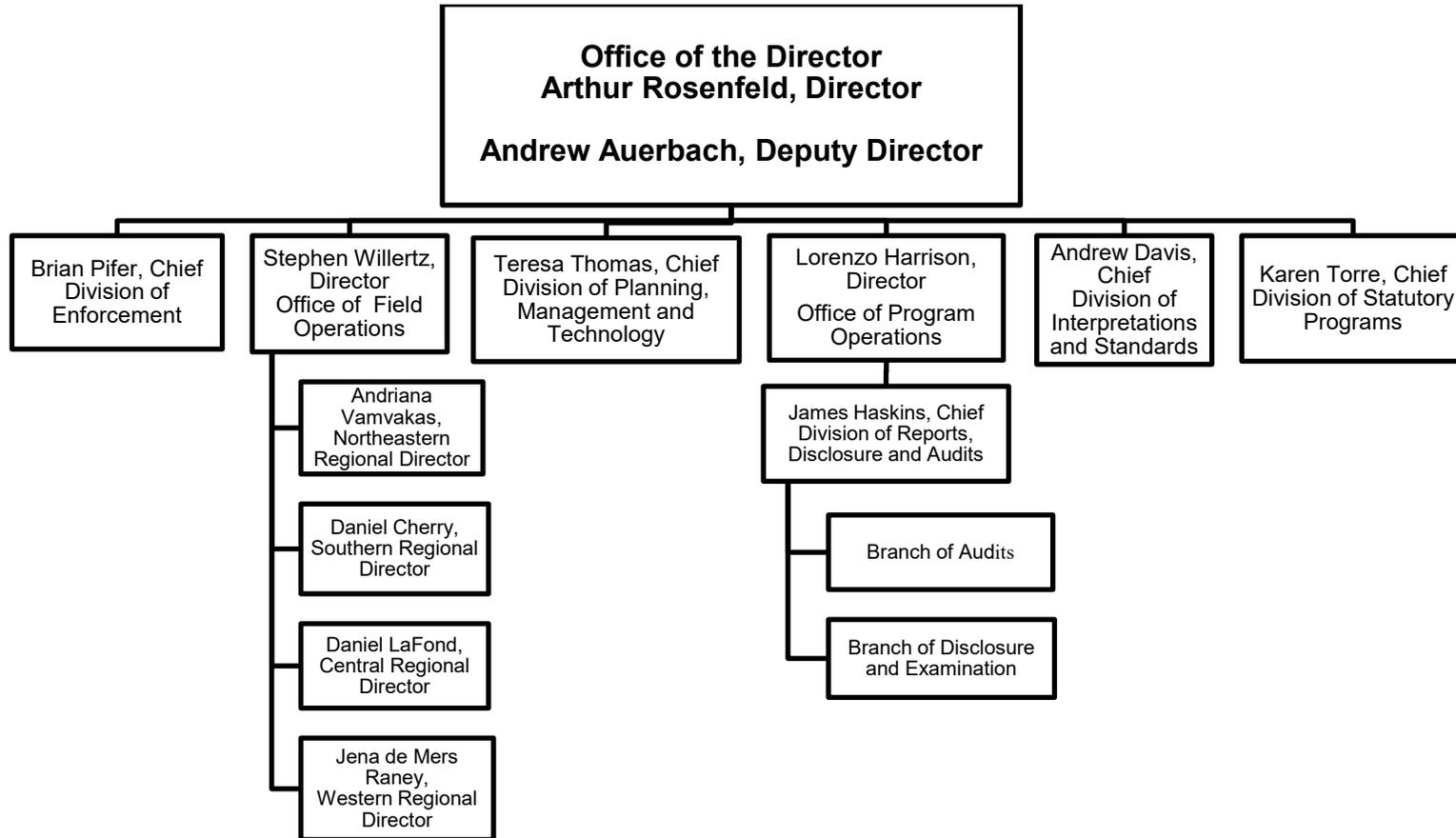
The LMRDA requires that labor unions holding elections of their officers: use a secret ballot; provide their members a reasonable opportunity to nominate candidates and vote; mail notice of elections to members; and establish other safeguards to ensure a fair election. The LMRDA also gives union members who believe these election standards have been violated the right to file a complaint with the Secretary of Labor. OLMS is responsible for investigating these complaints and taking appropriate enforcement action, including bringing a lawsuit in U.S. district court, if warranted. Election case lawsuits brought under the LMRDA must be filed within 60 days of receipt of a complaint, unless the labor union agrees to a waiver of the filing deadline. To meet this statutory deadline, OLMS continuously identifies efficiencies in the case processing system to better predict and reduce the incidence of waivers.

Program Improvements

OLMS' FY 2021 request will greatly enhance its ability to pursue program improvements that deliver more effective and efficient protection of union financial assets as follows:

- Conduct 535 compliance audits of unions to uncover violations of the LMRDA and complete 365 criminal investigations annually.
- Leverage compliance assistance resources to achieve 20,000 participant compliance assistance hours. This would 1) ensure new participants to the e-filing system submit their forms in a correct and timely manner, 2) help unions with election procedures, and 3) provide assistance with bonding requirements.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Activity Appropriation	42,422	43,187	50,410	7,223
FTE	187	193	238	45

NOTE: FTE for all years reflect the Shared Services Realignment.

NOTE: FY 2019 reflects actual FTE. Authorized FTE for FY 2019 was 186.

Introduction

The Office of Labor-Management Standards is responsible for administering the Labor-Management Reporting and Disclosure Act (LMRDA). The investigation of embezzlement of labor union funds is a major OLMS enforcement activity. OLMS also conducts audits of local or intermediate unions under the Compliance Audit Program to detect possible embezzlements, determine overall compliance with the LMRDA, and provide compliance assistance to union officials. Embezzlement investigations are opened when OLMS obtains credible information, either through an audit or other information, indicating fraud or misappropriation of union funds.

OLMS provides workers with ready access to essential information about their labor union's financial conditions, operations, activities, and their officers and employees. Labor unions covered by the LMRDA and related laws must 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 filing system for LMRDA reports and an Internet-based public disclosure system that provides public access to information from filed reports. Timely and accurate reporting allows workers to monitor the financial operations of their union, ensures that a union's governance is democratic, and that union assets are used solely for the benefit of the members.

The investigation of labor union officer elections is another major OLMS enforcement activity. OLMS opens an investigation of union officer elections on receipt of a complaint from a member alleging that an election was flawed or undemocratic. At the conclusion of the investigation, OLMS may need to supervise a rerun of the subject election.

Additionally, OLMS has the responsibility under the Federal Transit Act to certify that labor protections are in place prior to the approval of Federal transit grants. A transit agency receiving Federal mass transit funds must protect all covered mass transit employees affected by the use of the Federal money. The law specifies that "fair and equitable" 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.

OFFICE OF LABOR-MANAGEMENT STANDARDS

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2016	\$40,593	209
2017	\$38,187	196
2018	\$40,187	189
2019	\$41,187	186
2020	\$43,187	193

FY 2021

The FY 2021 funding request adds \$6,925,000 and 45 field investigator positions in the Agency's field offices across the country. These new investigators would be trained to participate in all of the core program areas administered by OLMS.

The current investigator staffing level is 106 field investigators, which is a dramatic reduction (44.5%) from the 191 investigators that OLMS employed in FY 2008. This diminished staffing has had a significant impact on the enforcement work in the field. The reduced number of investigators weakens the Agency's ability to investigate and enforce the essential statutory programs and provide compliance assistance to support those labor organizations. OLMS has identified inadequate funding as an enterprise financial management risk that adversely impacts its ability to recruit, train, equip, and retain staff. Marked budget reductions and loss of FTE has led to a reduction in OLMS' Labor-Management Reporting and Disclosure Act (LMRDA) enforcement presence despite the nearly steady state of total labor organization membership and increased assets at risk.

Most recent information indicates that there are approximately 21,000 labor organizations filing annual financial reports with OLMS. Over the last two decades the labor union community has increased the mergers of smaller labor organizations, thus creating larger and more complex unions. While the rank and file membership has marginally decreased, assets have significantly increased. In 2015, there were approximately 23,000 reporting labor organizations with a total union membership of 14,795,000 and assets of \$24 billion. In FY 2018, that number dropped to 21,000 filing labor organizations with a union membership of 14,700,000. However, total union assets have increased to \$27 billion. This concentration of assets results in more complex union financial records and consequently more complex audits. The addition of the 45 new investigators will allow OLMS to reinvigorate its enforcement efforts and more thoroughly and effectively protect these union assets.

At its staffing peak in 2008, OLMS conducted 791 compliance audits and 393 criminal investigations and obtained 132 indictments and 103 convictions. In FY 2018, OLMS conducted 215 compliance audits, 223 criminal investigations, and obtained 73 indictments and 72 convictions. In FY 2019, OLMS conducted 252 compliance audits, 241 criminal investigations, and obtained 84 indictments and 60 convictions. With the requested FY 2021 funding and an increase of 45 investigators OLMS expects to conduct approximately 535 compliance audits, 365 criminal investigations, and achieve approximately 115 indictments and 115 convictions. The requested funds directly impact our important mission to safeguard growing union assets.

OFFICE OF LABOR-MANAGEMENT STANDARDS

In addition, OLMS' union democracy goals will be enhanced by a staffing increase. The agency will continue its efforts to reduce the number of average elapsed staff days for completing election investigations (the average staff days for FY 2018 is 68.8). The additional 45 FTE will augment the existing staff which is currently challenged to address larger, complex cases while maintaining OLMS' high level of quality investigations. This will strengthen cases that require litigation and further union democracy by protecting union members' rights at all union organization levels.

The additional field investigators will participate in all aspects of OLMS' enforcement program including conducting compliance audits, criminal investigations, election investigations, compliance assistance seminars, and assist in supervising re-run elections. Increased funding and staff will further OLMS in its important mission to ensure basic standards of union democracy and fiscal integrity in labor organizations.

In FY 2021, the Department is committed to implementing the President's Management Agenda (PMA) and an Enterprise Shared Services delivery model for administrative functions. The purpose of the Enterprise Shared Services initiative is to create an administrative services delivery model that is streamlined, consistent, and efficient. Instead of directly funding information technology functions, the Department's current plan is that OLMS will use a shared services provider through the proposed IT Working Capital Fund (IT WCF). Under this plan, 2 FTE will be realigned from OLMS to the IT WCF as part of the implementation of this model. The FY 2021 President's Budget reflects this FTE realignment and the corresponding realignment of personnel compensation and benefits. The Budget does not include any related changes to non-personnel funding. The Department continues to develop and implement plans for Enterprise Shared Services. All FTE and funding estimates related to the Enterprise Shared Services initiative are preliminary and will be validated before final implementation.

FY 2020

The FY 2020 appropriation, \$43,187,000, provides \$2,000,000 above FY 2019 and will enable OLMS to begin to restore its core enforcement program and conduct International Compliance Audit Program (I-CAP) audits of national and international unions. Restoring the enforcement program through these additional resources will better position OLMS to fulfill its statutory purpose: ensuring union dues are used for the benefit of the members, financial operations and activities are transparent, and labor union officers are elected under fair and democratic procedures by conducting 275 audits, 250 criminal investigations, and raising the number of indictments and convictions achieved annually.

In FY 2020, OLMS will publish a final rule to implement the Form T-1, Trust Annual Report, requiring annual reporting on financial information pertinent to "trusts in which a labor organization is interested." Similarly, OLMS will publish a final rule to implement coverage under the LMRDA over certain "Intermediate Bodies" of public sector labor unions. Once these rules are implemented, OLMS will provide increased compliance assistance to labor organizations regarding reporting requirements and the completion of the form.

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

FY 2019

At the revised funding level of \$42,422,000, OLMS maintained core enforcement and administrative functions under the LMRDA and ensured employee protections under the Federal Transit Act. OLMS focused on its three priority programs to promote union financial integrity, financial transparency, and democracy. In support of these programs, OLMS reduced the number of elapsed days for investigating union election complaints to 65.6 on a target of 69 days; exceeded the target for percentage of compliance audits that lead to criminal investigations, 16 percent, by achieving 19 percent; and increased the percentage of required reports filed electronically to 85.3 percent on a target of 70%. OLMS continued to conduct union audits under the Compliance Audit Program (CAP) to determine overall compliance with the LMRDA and provide compliance assistance through the CAP and the Voluntary Compliance Partnership initiative.

OLMS continued to certify that labor protections are in place prior to approving Federal transit grants under the Federal Transit Act.

OFFICE OF LABOR-MANAGEMENT STANDARDS

WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2019 Enacted		FY 2020 Enacted	FY 2021 Request
		Target	Result	Target	Target
Office of Labor-Management Standards					
Strategic Goal 2 - Promote Safe Jobs and Fair Workplaces for All Americans					
Strategic Objective OLMS 2.7 - Promote union financial integrity, transparency, and democracy.					
OLMS-DEM-01	Average number of days to resolve union officer election complaints	69.0	65.6	68.0	67.0
OLMS-RPD-05	Percent of disclosure reports filed electronically	70.0%	85.3%	80.0%	85.0%
OLMS-RPD-03	Number of LM-10 and LM-20 reports filed on employer-consultant persuader agreements	1,010[p]	957	800[p]	800[p]
OLMS-RPD-06	Number of chronically delinquent filers of labor organization financial reports	1,170	688	1,070	970
OLMS-RPD-Workload-01	Reports Processed	28,000	--	25,000	25,000
OLMS-FI-02	Compliance Audits	360	252	400	535
OLMS-FI-01	Criminal Investigations	300	239	315	365
OLMS-MISC-05-WL	Number of Voluntary Compliance Partnership Agreements in effect	40	43	40	43
OLMS-MISC-04	Customer satisfaction score for OLMS web site users	65[p]	55	65[p]	65[p]
OLMS-MISC-03	Participant Hours of Compliance Assistance provided	15,000.00	14,199.00	15,000.00	20,000.00

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WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2019 Enacted		FY 2020 Enacted	FY 2021 Request
	Target	Result	Target	Target
OLMS-DEM-02 Election Investigations	107[p]	100	107[p]	107[p]
OLMS-DEM-03 Supervised Elections	27.00[p]	24.00	27.00[p]	27.00[p]
OLMS-FI-03 Percent of targeted audits that result in a criminal case	16.00%	19.00%	16.50%	16.75%

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

OFFICE OF LABOR-MANAGEMENT STANDARDS

Workload and Performance Summary

OLMS' two major enforcement activities are the investigation of: 1) union officer elections and 2) embezzlement of union funds. Supporting these two enforcement activities are the reporting and public disclosure requirements of the LMRDA. To increase overall compliance with the LMRDA and other regulations, OLMS provides compliance assistance information both in-person and online.

As one of its priority programs, OLMS promotes union financial integrity by enforcing the LMRDA requirement that union assets are used for the sole benefit of members. OLMS protects these assets by conducting targeted union compliance audits at all levels of the labor union hierarchy. OLMS uses data analytics to determine which unions are at higher risk for experiencing fraud or embezzlement based upon characteristics of the union gathered from both external and internal sources. The methodology allows OLMS to better direct resources such as investigator time to higher risk unions and reduces the time spent on audits that do not yield criminal cases. This also reduces the burden on unions who are in compliance by lessening the risk they will be subjected to audits that use union time and resources. Concrete results from this effort have resulted in more effective compliance audits overall. The FY 2021 Budget furthers the FY 2020 restoration of the core enforcement program, and nearly doubles both the number of compliance audits and criminal investigations that will be undertaken as compared to the FY 2020 targets. In addition, the reach of the compliance assistance program will achieve 20,000 participant compliance assistance hours. This will enable OLMS to safeguard union assets more broadly and likely find more cases of fraud and embezzlement.

There are approximately 21,000 international/national, intermediate and local unions subject to the LMRDA. In FY 2021, the additional FTE will enable OLMS to continue to have a greater physical presence in geographical areas that have been underserved, thus creating a greater deterrent effect and enhancing our ability to provide better outreach and compliance assistance. For example, the Detroit office undertakes a substantial number of cases each year, many of them high profile. By adequately staffing offices such as Detroit, OLMS is able to use resources not only more effectively, but in a more high profile manner, which can act as a deterrent. The end result will be greater transparency through more accurate and timely reporting of union finances, an increase in the detection and deterrence of embezzlement, and an increase in union member and officers' understanding of the requirements of the LMRDA.

OLMS administers the LMRDA's union financial transparency requirements by receiving and then disclosing union financial reports. OLMS encourages electronic filing of required reports through regulatory changes, and outreach and compliance assistance. The electronic filing system checks reports for errors prior to submission thus increasing the quality of the filing and reducing mailing costs. Electronic filing also allows almost instant online access to electronically filed reports. Over time, OLMS can expect increased savings as electronically filed reports reduce storage and personnel costs associated with maintaining physical files. Savings will also result from reduced personnel costs involved in manual processing of paper reports. OLMS expects to continue to see increased use of the current electronic filing system.

OFFICE OF LABOR-MANAGEMENT STANDARDS

OLMS will promote free and fair democratic union elections. The agency will achieve reductions in the number of elapsed days required to resolve election case complaints by increasing the use of investigative teams. In addition, OLMS will coordinate with the Office of the Solicitor early in the life of election cases to reduce the number of elapsed days.

OFFICE OF LABOR-MANAGEMENT STANDARDS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
11.1	Full-time permanent	20,105	20,694	24,754	4,060
11.3	Other than full-time permanent	59	59	59	0
11.5	Other personnel compensation	793	793	793	0
11.9	Total personnel compensation	20,957	21,546	25,606	4,060
12.1	Civilian personnel benefits	7,732	8,003	10,265	2,262
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,031	944	1,845	901
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	2,700	2,700	2,700	0
23.2	Rental payments to others	20	20	20	0
23.3	Communications, utilities, and miscellaneous charges	242	242	242	0
24.0	Printing and reproduction	45	45	45	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	455	455	455	0
25.3	Other goods and services from Federal sources 1/	7,290	7,284	7,284	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	1,829	1,829	1,829	0
26.0	Supplies and materials	36	34	34	0
31.0	Equipment	85	85	85	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	42,422	43,187	50,410	7,223
	1/Other goods and services from Federal sources				
	Working Capital Fund	6,573	6,567	6,567	0
	DHS Services	280	280	280	0
	Services by DOL Agencies	336	336	336	0
	GSA Services	14	14	14	0
	Services by Other Government Departments	87	87	87	0

OFFICE OF LABOR-MANAGEMENT STANDARDS

CHANGES IN FY 2021

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$410
Personnel benefits	0
Employee health benefits	0
Moving allowance	0
One day less of Pay	-111
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
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	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 **\$299**

Net Program **\$6,925**

Direct FTE **43**

	Estimate	FTE
Base	\$43,485	193
Program Increase	\$6,925	45
Program Decrease	\$0	-2