

FY 2022

CONGRESSIONAL BUDGET JUSTIFICATION

OFFICE OF LABOR-MANAGEMENT STANDARDS

This page is intentionally left blank.

OFFICE OF LABOR-MANAGEMENT STANDARDS

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary of Budget Authority and FTE by Activity.....	5
Budget Authority by Object Class	6
Authorizing Statutes.....	7
Appropriation History	8
Overview	9
Organization Chart.....	13
Budget Activities	15
Office of Labor-Management Standards	15

This page is intentionally left blank.

OFFICE OF LABOR-MANAGEMENT STANDARDS

APPROPRIATION LANGUAGE

SALARIES AND EXPENSES

For necessary expenses for the Office of Labor-Management Standards, [\$44,437,000]
\$51,554,000. (*Department of Labor Appropriations Act, 2021.*)

OFFICE OF LABOR-MANAGEMENT STANDARDS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2020 Revised Enacted		FY 2021 Enacted		FY 2022 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	193	\$43,187	190	\$44,437	228	\$51,544
<i>Subtotal Appropriation</i>	<i>193</i>	<i>\$43,187</i>	<i>190</i>	<i>\$44,437</i>	<i>228</i>	<i>\$51,544</i>
Offsetting Collections From:						
Transfer from ETA SUIESO (Pursuant to P.L.115-245)	3	\$1,295	0	\$0	0	\$0
B. Gross Budget Authority	196	\$44,482	190	\$44,437	228	\$51,544
Offsetting Collections From:						
Transfer from ETA SUIESO (Pursuant to P.L.115-245)	0	\$0	0	\$0	0	\$0
Shared Services Realignment	-2	\$0	0	\$0	0	\$0
C. Budget Authority Before Committee	194	\$44,482	190	\$44,437	228	\$51,544
Offsetting Collections From:						
Transfer from ETA SUIESO (Pursuant to P.L.115-245)	0	\$0	0	\$0	0	\$0
D. Total Budgetary Resources	194	\$44,482	190	\$44,437	228	\$51,544
Additional FTE and Unobligated Balance Expiring	-4	-\$62	0	\$0	0	\$0
Shared Services Realignment	0	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	190	\$44,420	190	\$44,437	228	\$51,544

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2021 Enacted	FY 2022 Request	Net Change
Budget Authority			
General Funds	\$44,437	\$51,554	+\$7,117
Total	\$44,437	\$51,554	+\$7,117
 Full Time Equivalents			
General Funds	190	228	38
Total	190	228	38

FY 2022 Change

Explanation of Change	FY 2021 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	190	\$22,230	0	\$0	0	\$629	0	\$629
Personnel benefits	0	\$8,921	0	\$0	0	\$338	0	\$338
Employee health benefits	0	\$0	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$69	0	\$0	0	\$3	0	\$3
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$815	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$2,725	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$35	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$130	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$386	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	\$505	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$7,825	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	\$255	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$380	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0

OFFICE OF LABOR-MANAGEMENT STANDARDS

FY 2022 Change

Explanation of Change	FY 2021 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operation and maintenance of facilities	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$0	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$96	0	\$0	0	\$0	0	\$0
Equipment	0	\$65	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	190	+\$44,437	0	\$0	0	+\$970	0	+\$970
B. Programs:								
OLMS FTE Restoration	0	\$0	0	\$0	38	\$6,147	38	\$6,147
Programs Subtotal			0	\$0	38	+\$6,147	38	+\$6,147
Total Increase	190	+\$44,437	0	\$0	38	+\$7,117	38	+\$7,117
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	190	+\$44,437	0	\$0	38	+\$7,117	38	+\$7,117

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2020 Revised Enacted		FY 2021 Enacted		FY 2022 Request		Diff. FY22 Request / FY21 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Office of Labor-Management Standards	190	44,482	190	44,437	228	51,554	38	7,117
General Funds	190	44,482	190	44,437	228	51,554	38	7,117
Total	190	44,482	190	44,437	228	51,554	38	7,117
General Funds	190	44,482	190	44,437	228	51,554	38	7,117

NOTE: 2020 reflects actual FTE.

OFFICE OF LABOR-MANAGEMENT STANDARDS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2020 Revised Enacted	FY 2021 Enacted	FY 2022 Request	Diff. FY22 Request / FY21 Enacted
	Full-Time Equivalent				
	Full-time Permanent	192	187	225	38
	Other	1	3	3	0
	Total	193	190	228	38
	Average ES Salary	\$191,788	\$193,705	\$187,998	-\$5,707
	Average GM/GS Grade	12/8	12/8	12/8	0
	Average GM/GS Salary	\$100,812	\$90,477	\$106,857	\$16,380
11.1	Full-time permanent	21,724	21,300	23,674	2,374
11.3	Other than full-time permanent	59	150	150	0
11.5	Other personnel compensation	793	780	800	20
11.9	Total personnel compensation	22,576	22,230	24,624	2,394
12.1	Civilian personnel benefits	8,604	8,990	10,342	1,352
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	944	815	1,200	385
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	145	145
23.1	Rental payments to GSA	2,700	2,725	2,725	0
23.2	Rental payments to others	20	35	35	0
23.3	Communications, utilities, and miscellaneous charges	242	130	130	0
24.0	Printing and reproduction	45	386	386	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	455	505	505	0
25.3	Other goods and services from Federal sources 1/	6,948	8,460	11,152	2,692
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	0	0	0
26.0	Supplies and materials	34	96	150	54
31.0	Equipment	85	65	160	95
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	44,482	44,437	51,554	7,117
	1/Other goods and services from Federal sources				
	Working Capital Fund	6,567	7,825	10,517	2,692
	DHS Services	280	255	255	0
	GSA Services	14	295	295	0
	Services by Other Government Departments	87	20	20	0

OFFICE OF LABOR-MANAGEMENT STANDARDS

AUTHORIZING STATUTES

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			
PUB. L. 95-454	Civil Service Reform Act of 1978 Urban Mass	5 U.S.C. 7101			N/A
PUB. L. 88-365 PUB. L. 102-240	Transportation Act of 1964, as amended. Rail Passenger Service Act of 1970 as amended.	49 U.S.C. 533 (b) 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. 96-465	Foreign Service Act of 1980.	22 U.S.C. 3901			N/A
PUB. L. 104-1	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
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			\$44,437	190
2022					
Base Appropriation	\$51,554				228

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

OVERVIEW

Introduction

The Office of Labor-Management Standards (OLMS) administers the Labor-Management Reporting and Disclosure Act (LMRDA) and related laws. The LMRDA was enacted to protect union members by ensuring that they have the transparency, democracy, and financial integrity they need to make informed decisions about their membership in a union as well as its operations. These laws were enacted to strengthen labor unions by protecting union members from individuals, organizations, and/or influences that do not function in their best interests and to ensure that members and employees who are engaged in organizing activities know the sources of their employers' messages urging them not to organize. While the vast majority of America's labor unions and their leaders operate for the benefit of the hard working people who comprise their membership, OLMS is tasked with protecting the union members by administering the LMRDA.

The LMRDA promotes financial integrity by imposing protections on labor union assets; provides transparency by requiring public disclosure reporting by unions, union officials, employers, labor relations consultants, and surety companies; and ensures 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. When federal funds are used to acquire, improve, or operate a mass transit system (public transportation), federal law requires arrangements to protect the interests of mass transit employees. 49 U.S.C. § 5333(b) (formerly Section 13(c) of the Urban Mass Transportation Act). Section 5333(b) specifies that these protective arrangements must provide for the preservation of rights and benefits of employees under existing collective bargaining agreements, the continuation of collective bargaining rights, the 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. 49 U.S.C. § 5333(b)(2).

The Department of Labor (DOL) must certify that protective arrangements are in place and meet the above requirements for all grants of assistance under Federal transit law before the Department of Transportation's Federal Transit Administration (FTA) can release funds. The FTA includes the terms and conditions of the certification and protective arrangements in its contract of assistance with the grant recipient.

OFFICE OF LABOR-MANAGEMENT STANDARDS

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

1) Increase the effectiveness of targeting 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) protecting union members' financial assets through uncovering fraud and embezzlement; and 2) educating union officials on LMRDA requirements and compliance regarding financial bookkeeping and reporting. By increasing the resources available, OLMS would have the ability to safeguard additional assets of union members through the CAP program while simultaneously increasing the compliance assistance provided to union officials. Improved targeting of compliance audits further prevents imposing burden on the majority of unions that are in compliance with the LMRDA while efficiently utilizing 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, and other entities. 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 initial (Form LM-1) and 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-15A, and 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.

Regulations require unions, employers and employer consultants 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.

Most of these reports are filed electronically through the OLMS electronic Labor Organization Reporting System (e.LORS). However, parent unions imposing trusteeships over subordinate bodies, surety companies, and some union officers and employees continue to file paper versions of their documents, and OLMS must ensure these too are available for disclosure.

Through mandatory filing requirements as well as outreach and other efforts, OLMS has increased the percentage of reports filed electronically. OLMS hosts a web-based electronic filing system (EFS) for filing Forms LM-1, LM-2, LM-3, LM-4, LM-10, LM-20, LM-21, LM-30, and simplified annual reports. EFS ensures that nearly all entities and individuals

OFFICE OF LABOR-MANAGEMENT STANDARDS

who must file may do so electronically. Electronic filing is currently mandatory only for LM-1, LM-2, LM-3, LM-4, LM-10, LM-20, and LM-21 filers. In FY 2021, OLMS added the LM-1 to the forms available for electronic filing and it continues to develop electronic versions of the remaining forms (LM-15, LM-15A, LM-16, and S-1) and assists the use of EFS through compliance assistance and other activities. OLMS also seeks to make electronic filing mandatory for the remaining LM reports.

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

The LMRDA requires labor unions holding elections of their officers to 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 and a path to file a complaint with the Secretary of Labor. OLMS is responsible for investigating these complaints and, dependent upon the results of the investigation, taking appropriate steps to set aside the election in certain cases. As appropriate, OLMS may attempt to negotiate a voluntary compliance agreement or bring a lawsuit in U.S. District Court seeking a new election under OLMS supervision. By statute, 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 improved efficiencies in the case processing system to better predict and reduce the incidence of waivers. For example, through improved communication and coordination between OLMS and the Office of the Solicitor, we are better poised to address and resolve challenging investigations, directly reducing the time needed to resolve these investigations.

Program Improvements

OLMS' ability to pursue program improvements that deliver more effective and efficient protection for union members will be greatly enhanced as follows:

- OLMS will strengthen the effectiveness and reach of our Compliance Assistance Program, and provide more robust support and training for our field investigators. The additional resources will enable us to: 1) increase our participant contact hours and general assistance to International Unions (IUs) currently participating in the Voluntary Compliance Partnership (VCP) program; 2) conduct outreach to encourage IUs that are not partners yet to partner with us going forward; 3) improve data analysis services to the IUs to help locate their affiliates that are having compliance issues; 4) provide training and compliance assistance via video conferencing (such as TEAMS) for the IUs and their affiliates nationally, on a regular, ongoing basis; 5) coordinate nationwide delivery of additional compliance assistance webinars to support union officials in the challenging task of conducting union officer elections during the pandemic; 6) develop new compliance assistance materials – in both English and Spanish – to help union officers and union members better understand their respective responsibilities and rights under the LMRDA; and 7) create, update, and conduct investigator training to ensure OLMS is able to retain and recruit the highly skilled, professional workforce it needs to carry out its important mission.

OFFICE OF LABOR-MANAGEMENT STANDARDS

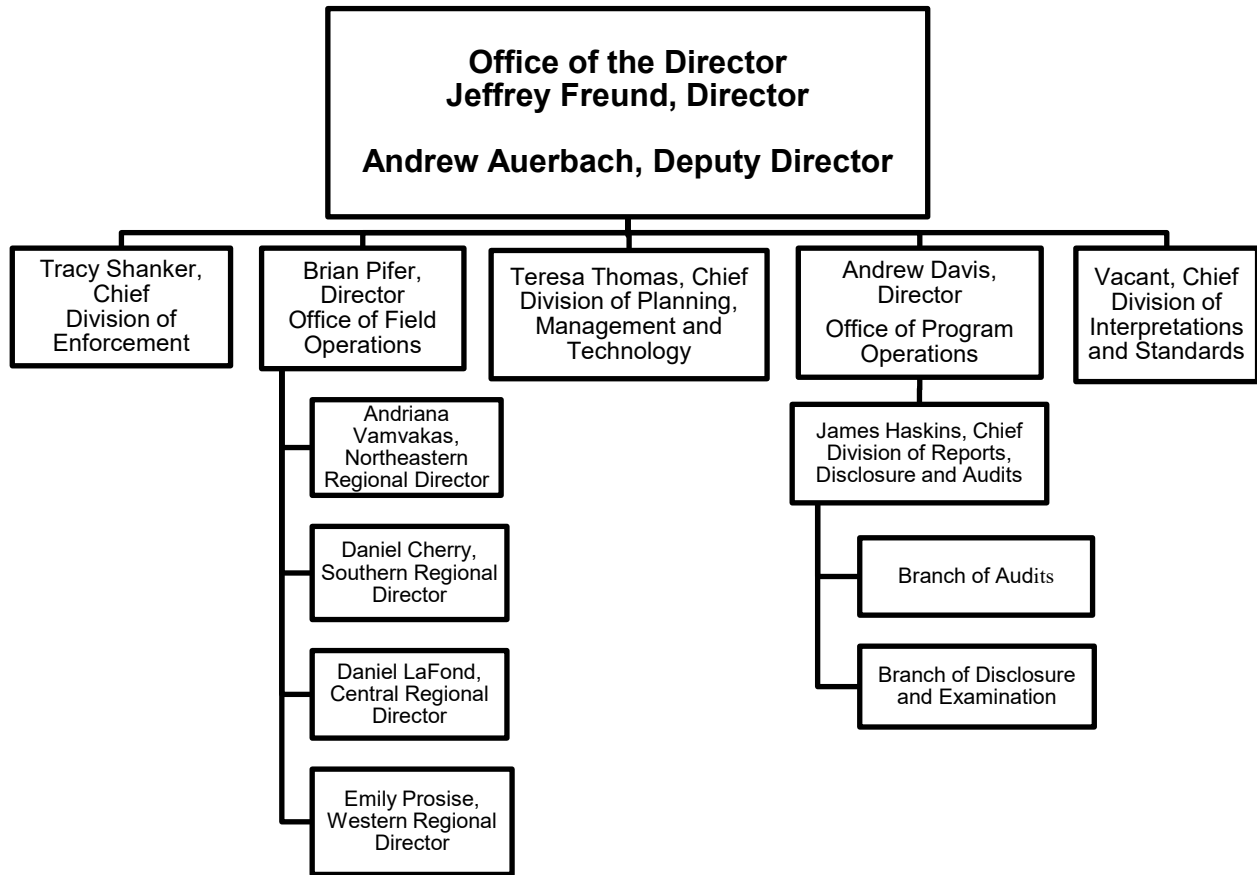
- Enhance the OLMS computer forensics program by increasing the number of full-time Computer Cadre members and investing in expanding their skills to keep pace with the changing and expanding technologies.
- Leverage compliance assistance resources to achieve 20,000 participant compliance assistance hours. This would 1) ensure filers submit their forms in a correct and timely manner, 2) help union officials learn how to conduct their officer elections in compliance with the LMRDA (and provide additional guidance and best practices on holding elections during the pandemic), and 3) provide assistance with bonding requirements.
- Conduct 317 compliance audits of unions to uncover violations of the LMRDA and complete 272 criminal investigations annually.

American Jobs Plan

It is critical to ensure that good jobs created through the investments in the President's American Jobs Plan remain good jobs. To make this a reality, the Budget includes \$7.5 billion in mandatory funding for the Department's Worker Protection agencies to protect against discrimination, protect wages and benefits, enforce health and safety protections, and safeguard workers' rights.

OFFICE OF LABOR-MANAGEMENT STANDARDS

ORGANIZATION CHART



OFFICE OF LABOR-MANAGEMENT STANDARDS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2020 Revised Enacted	FY 2021 Enacted	FY 2022 Request	Diff. FY22 Request / FY21 Enacted
Activity Appropriation	44,482	44,437	51,554	7,117
FTE	190	190	228	38

NOTE: FY 2020 reflects actual FTE. Authorized FTE for FY 2020 was 193.

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 unions under the Compliance Audit Program to determine overall compliance with the LMRDA, detect possible embezzlements, 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 relations 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, supports democracy in union governance, and ensures that union assets are used solely for the benefit of the members and ensures that members and employees who are engaged in organizing activities know the sources of their employers' messages urging them not to organize.

As the LMRDA was enacted by Congress to ensure basic standards of democracy in labor unions, the investigation of labor union officer elections is another major OLMS enforcement activity. OLMS conducts investigations of regularly scheduled union officer elections upon receipt of a timely filed complaint from a union member protesting the election. If an investigation discloses violations of the LMRDA which may have affected the outcome of the election, OLMS gives the union an opportunity to correct the violations through voluntary compliance, usually by rerunning the challenged election under OLMS supervision. If warranted, OLMS may take legal action to set aside the challenged election and require a new election under OLMS supervision.

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 Federal money. The law specifies that "fair and equitable" arrangements must be in place that

OFFICE OF LABOR-MANAGEMENT STANDARDS

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.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2017	\$38,187	196
2018	\$40,187	189
2019	\$41,187	186
2020	\$43,187	193
2021	\$44,437	190

FY 2022

The FY 2022 funding request adds \$7,117,000 and 38 positions: 32 in the Agency's field offices across the country, 2 in the Division of Enforcement, 2 in the Division of Interpretations and Standards, and 2 in the Office of Field Operations.

The current staffing level is 190, a 12% reduction from the 215 that OLMS employed in FY 2015. This diminished staffing level has had a significant impact on all types of work accomplished in the field and throughout the agency. This necessary increase in funding and FTE will restore OLMS' ability to provide unionized workers with the protections to which they are entitled under the LMRDA, develop and provide compliance assistance to support those labor organizations, and modernize its business processes and services for more efficient operations and improved customer interface.

Most recent information indicates that there are over 20,000 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 2020, 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 32 field investigators will allow OLMS to reinvigorate its enforcement efforts, improve the protection of union assets, and provide needed compliance assistance support to the labor organizations throughout the country.

In FY 2020, OLMS conducted 245 compliance audits and 223 criminal investigations, and obtained 61 indictments and 69 convictions. In FY 2019, OLMS conducted 252 compliance audits and 241 criminal investigations, and obtained 84 indictments and 60 convictions. With the requested FY 2022 funding and an increase of 32 field investigators, OLMS expects to

OFFICE OF LABOR-MANAGEMENT STANDARDS

conduct approximately 317 compliance audits and 272 criminal investigations, and record approximately 100 indictments and 100 convictions. The requested funds directly impact our important mission to safeguard growing union assets.

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 2020 was 64.9). The additional 32 field FTE will augment the existing staff, which is currently challenged to address larger, complex cases while maintaining OLMS' high 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' program activities including conducting compliance audits, criminal investigations, election investigations, compliance assistance seminars, and supervising rerun 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.

FY 2021

The FY 2021 appropriation, \$44,437,000 provides \$1,250,000 above FY 2020. With nearly 40% of our investigative staff not having completed the required training, the continuation of the pandemic into FY 2021 has impacted our ability to provide the full spectrum of training needs to the staff. Certain courses were reformatted to allow for virtual instruction, which has been provided. Additionally, national compliance assistance activities were completed to provide labor organizations with guidance on holding officer elections during a pandemic. Compliance assistance documents were created to assist labor unions in maintaining records and conducting business virtually. OLMS has continued to meet our statutory obligations to investigate union democracy cases timely, processed one International Compliance Audit and has initiated two more. We have continued to make progress in all program activities during this fiscal year.

OLMS has received modest increases over the past four years which have helped to recover from an unexpected and drastic decrease in FY 2017. However, annual salary and employee benefit cost increases, rent increases, and other inflationary pressures continued to erode the affordable FTE level from 196 to 190, thus eroding OLMS' ability to protect unionized employees in accordance with its statutory mandate.

FY 2020

The FY 2020 appropriation, \$43,187,000, provided \$2,000,000 above FY 2019 and enabled OLMS to begin to restore its core enforcement program and conduct International Compliance Audit Program (I-CAP) audits of national and international unions. Although OLMS was provided with additional resources necessary to enhance our accomplishment of our mission, the unexpected reality of a pandemic impacted OLMS. During the second half of FY 2020, OLMS successfully shifted to teleworking to the maximum extent possible and developed new methods of interviewing and conducting investigations during a challenging time. With COVID-19 as a

OFFICE OF LABOR-MANAGEMENT STANDARDS

backdrop, OLMS still conducted 100 election investigations, completed 245 compliance audits, and processed 223 criminal investigations. With court systems throughout the country being closed at various times and durations, OLMS investigations resulted in the indictments and convictions of 61 and 69 individuals during FY 2020.

In FY 2020, OLMS published 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.” In FY 2021, OLMS intends to publish a proposed rescission of the Form T-1.

OLMS will continue 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 2020 Revised Enacted		FY 2021 Enacted	FY 2022 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-RPD-03	Number of LM-10 and LM-20 reports filed on employer-consultant persuader agreements	600[p]	440	600[p]	800[p]
OLMS-RPD-06	Number of chronically delinquent filers of labor organization financial reports	1,070	805	970	920
OLMS-RPD-Workload-01	Reports Processed	25,000	--	25,000	25,000
OLMS-FI-02	Compliance Audits	225	245	237	317
OLMS-FI-01	Criminal Investigations	211	233	202	272
OLMS-MISC-05-WL	Number of Voluntary Compliance Partnership Agreements in effect	40	43	43	43
OLMS-MISC-03	Participant Hours of Compliance Assistance provided	8,000.00	4,333.00	12,000.00	20,000.00
OLMS-MISC-09	Compliance Assistance Events	--	--	66	70
OLMS-DEM-02	Election Investigations	101[p]	100	96[p]	106[p]
OLMS-DEM-03	Supervised Elections	18.00[p]	17.00	26.00[p]	22.00[p]

OFFICE OF LABOR-MANAGEMENT STANDARDS

WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2020		FY 2021	FY 2022
		Revised Enacted		Enacted	Request
		Target	Result	Target	Target
OLMS-DEM-01	Average number of days to resolve union officer election complaints	68.0	64.9	67.0	66.0
OLMS-FI-03	Percent of targeted audits that result in a criminal case	16.50%	20.00%	16.75%	17.00%
OLMS-RPD-05	Percent of disclosure reports filed electronically	80.0%	89.6%	85.0%	90.0%

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 2022 restores OLMS' ability to safeguard union members' rights under the LMRDA. The additional resources will allow to increase the number of compliance audits and dramatically increases the number of 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. OLMS will leverage conference technologies to ensure that it will meet its targets. 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 2022, 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 New York office undertakes a substantial number of cases each year, many of them high profile. By adequately staffing offices such as New York, 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

OFFICE OF LABOR-MANAGEMENT STANDARDS

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.

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 2020 Revised Enacted	FY 2021 Enacted	FY 2022 Request	Diff. FY22 Request / FY21 Enacted
11.1	Full-time permanent	21,724	21,300	23,674	2,374
11.3	Other than full-time permanent	59	150	150	0
11.5	Other personnel compensation	793	780	800	20
11.9	Total personnel compensation	22,576	22,230	24,624	2,394
12.1	Civilian personnel benefits	8,604	8,990	10,342	1,352
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	944	815	1,200	385
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	145	145
23.1	Rental payments to GSA	2,700	2,725	2,725	0
23.2	Rental payments to others	20	35	35	0
23.3	Communications, utilities, and miscellaneous charges	242	130	130	0
24.0	Printing and reproduction	45	386	386	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	455	505	505	0
25.3	Other goods and services from Federal sources 1/	6,948	8,460	11,152	2,692
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	0	0	0
26.0	Supplies and materials	34	96	150	54
31.0	Equipment	85	65	160	95
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	44,482	44,437	51,554	7,117
	1/Other goods and services from Federal sources				
	Working Capital Fund	6,567	7,825	10,517	2,692
	DHS Services	280	255	255	0
	GSA Services	14	295	295	0
	Services by Other Government Departments	87	20	20	0

OFFICE OF LABOR-MANAGEMENT STANDARDS

CHANGES IN FY 2022

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$629
Personnel benefits	338
Employee health benefits	0
Moving allowance	0
Federal Employees' Compensation Act (FECA)	3
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 **\$970**

Net Program **\$6,147**

Direct FTE **38**

	Estimate	FTE
Base	\$45,407	190
Program Increase	\$6,147	38
Program Decrease	\$0	0