

INSPECTOR GENERAL



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## NATIONAL LABOR RELATIONS BOARD

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WASHINGTON, DC 20570

I hereby submit this Semiannual Report: April 1, 2003 - September 30, 2003, which summarizes the major activities and accomplishments of the Office of Inspector General (OIG) of the National Labor Relations Board (NLRB or Agency). The submission of this report is in accordance with the Inspector General Act of 1978, as amended (IG Act). Section 5 of the IG Act requires that the Chairman transmit this report to the appropriate committees or subcommittees of the Congress within 30 days of its receipt.

OIG issued two audit reports with costs that could be put to better use of \$57,000, two inspection reports, and one issue alert. In the investigations program, OIG processed 210 contacts, initiated 15 cases, and closed 13 cases. The investigations resulted in two administrative actions and \$5,098 in investigative recoveries. We reviewed four pieces of legislation and three regulations. Details on these accomplishments can be found in the body of this report.

October 2003 is the 25<sup>th</sup> anniversary of the IG Act. The NLRB OIG was established pursuant to the 1988 amendments to the Act. Over the past 15 years, the OIG has grown to be an active contributor to the Agency and the IG community. The OIG has conducted audits or investigations of many Agency functions and programs, including some with government-wide interest such as security over information technology, Results Act reports, and travel and purchase cards. We increased our contact with the Agency and public by establishing a Hotline and a page on the Agency Web site. This year, OIG staff was recognized with five Awards for Excellence for audit and investigative work.

We consider our highest achievements to include that we are able to reach agreement with management on a high percentage of our recommendations, and actions on OIG recommendations are usually completed within 1 year of reaching agreement. The NLRB Chairman and General Counsel have changed over the years, and all have been supportive of our mission. We look forward to working with the current Chairman, General Counsel, and all Agency employees in our joint goal to improve Agency operations.

Jane E. Altenhofen

October 31, 2003

## AGENCY PROFILE

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The National Labor Relations Board (NLRB or Agency) is an independent Federal agency established in 1935 to administer the National Labor Relations Act (NLRA). The NLRA is the principal labor relations law of the United States, and its provisions generally apply to private sector enterprises engaged in, or to activities affecting, interstate commerce. NLRB jurisdiction includes the U.S. Postal Service (other government entities, railroads, and airlines are not within NLRB's jurisdiction).

The NLRB seeks to serve the public interest by reducing interruptions in commerce caused by industrial strife. It does this by providing orderly processes for protecting and implementing the respective rights of employees, employers, and unions in their relations with one another. The NLRB has two principal functions: (1) to determine and implement, through secret ballot elections, the free democratic choice by employees as to whether they wish to be represented by a union in dealing with

their employers and, if so, by which union; and (2) to prevent and remedy unlawful acts, called unfair fair labor practices, by either employers, unions, or both.

NLRB authority is divided by law and delegation. The five-member Board primarily acts as a quasi-judicial body in deciding cases on formal records. The General Counsel investigates and prosecutes unfair labor practices before administrative law judges, whose decisions may be appealed to the Board; and, on behalf of the Board, conducts secret ballot elections to determine whether employees wish to be represented by a union.

The Board consists of the Chairman and four Members who are appointed by the President with the advice and consent of the Senate. Board Members serve staggered terms of 5 years each. The General Counsel is also appointed by the President with the advice and consent of the Senate and serves a 4-year term.

Former Board Member R. Alexander Acosta's term expired August 27, 2003. His successor has not yet been nominated. The terms of the other four Members are as follows:

- Chairman Battista for a term expiring December 16, 2007;
- Member Liebman for a term expiring August 27, 2006;
- Member Schaumber for a term expiring August 27, 2005; and
- Member Walsh for a term expiring December 16, 2004.

NLRB received an appropriation of \$238,982,000 for Fiscal Year (FY) 2003, less an across-the-board rescission of .65

percent, leaving a net spending ceiling of \$237,428,617 to fund an expected ceiling of 1,952 full-time equivalents. NLRB Headquarters is at 1099 14<sup>th</sup> Street, NW, Washington, DC.

In addition to the Headquarters building, employees are located in 51 field offices throughout the country. Three satellite offices for the Administrative Law Judges are located in Atlanta, San Francisco, and New York. Since October 2, 2000, field offices included 32 Regional Offices, 16 Resident Offices, and 3 Subregional Offices.

Additional information about NLRB can be found on the Web site [www.NLRB.gov](http://www.NLRB.gov).

## OFFICE OF INSPECTOR GENERAL

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NLRB established the Office of Inspector General (OIG) pursuant to the 1988 amendments to the Inspector General Act of 1978 (IG Act).

### **Resources**

The FY 2003 OIG budget is \$882,427 for operations, of which \$69,900 is for contract services. In addition to the Inspector General, the OIG consists of a Counsel/Assistant Inspector General for Investigations, Assistant Inspector General for Audits, a criminal investigator, three auditors, and a staff assistant.

Derek T. Harvey was a student assistant from June 30 through September 5, 2003.

William A. Garay entered on duty as a Lead Auditor on September 8, 2003.

Bridgette S. Hicks, an OIG staff auditor, accepted a position with the Federal Maritime Commission to be effective on October 19, 2003.

The Inspector General is to provide policy direction for and is to conduct, supervise, and coordinate audits relating to program operations of the Agency. *OIG issued two audit reports with costs that could be put to better use of \$57,000, two inspection reports, one issue alert, and one report to Congress.*

### Reports Issued

- We issued Audit Report OIG-AMR-39-03-04, *Review of Data Accuracy in the FY 2001 Annual Report*, on September 30, 2003. This review was conducted to determine whether the FY 2001 Annual Report prepared by the NLRB accurately presented the Agency's accomplishments and was timely.

We estimated that the Agency expended over \$600,000 to produce Annual Reports for FYs 2000 and 2001 that were no longer required. The Annual Report for FY 2001, dated March 18, 2003, was not available to the public until nearly 20 months after the end of the fiscal year. The FY 2002 Annual Report has already been in production 12 months.

The Agency made significant progress in data accuracy and the processes for

producing the Annual Report since we reviewed the FY 1999 NLRB Annual Report. Five Regional Offices, however, were excluded from our scope because management identified these offices as having known data accuracy problems.

By eliminating the Annual Report, we estimate the Agency could put approximately \$57,000 to better use each year. Much of the Annual Report consists of information, such as Board decisions, that is already available to the public. Additional data thought to be of interest to the public that is not otherwise available could be posted on the Agency Web site.

Management stated that the decision whether to produce the Annual Report and what form the report will take are matters to be addressed by the political leadership of the Agency.

- We issued Audit Report OIG-AMR-40-03-03, *Information Security Review of New Automated Systems*, on September 22, 2003. The objective of this audit was to perform a general and applications control review to determine whether financial, payroll/personnel, and procurement management systems services provided by Department of Interior National Business Center (NBC) are adequately safeguarded.

NLRB developed a Computer Security Program Information Systems Security Policy that outlines how NLRB is responsible for the development, implementation and maintenance of an Information Technology (IT) security program that satisfies all applicable Federal requirements. NLRB's network has reached an overall Level 2 effectiveness, in accordance with NIST's 5 levels of effectiveness.

NLRB initiated but has not yet resolved the findings in a prior report regarding a security plan for its local access network or wide area network, a Continuity of

Service program to recover and restore IT services, and a program to monitor potential security violations.

NLRB's general and application controls are not sufficient to adequately safeguard the NBC Systems. NLRB's logical and management security controls are not adequate to prevent or detect unauthorized activities or provide reasonable assurance that financial assets are safeguarded.

Several access and application control weaknesses from the prior system were reintroduced into the new financial system. These weaknesses include inadequate separation of duties within the Finance Branch, weak access controls that could compromise the integrity of data input into the NLRB financial systems, and excessive privileges that could allow unauthorized transactions to go undetected.

Management agreed with all but one recommendation, for which alternative corrective action had been implemented.

The Government Information Security Reform Act requires inspectors general to conduct annual reviews of information security programs. On September 22, 2003, the NLRB submitted to the Office of Management and Budget its annual program review consisting of responses to the questions posed by the Office of Management and Budget on information security and a copy of this review.

- We issued Inspection Report OIG-INS-27-03-04, *Backpay Financial Management and Reporting Requirements*, on August 21, 2003. We conducted this inspection to review financial management and reporting requirements for Backpay funds and whether systems maintained at Headquarters and Regional Offices can generate timely and accurate information to make necessary accounting entries.

We concluded that NLRB is required to provide footnote disclosure only, related to Backpay funds that are not deposited with the United States Treasury; and is required to provide footnote disclosure

and report on its Balance Sheet, non-entity assets and liabilities associated with Backpay funds that are deposited with the US Treasury or invested in Treasury securities. We also determined that NLRB should recognize an accounts receivable prior to receipt of Backpay cash, if receipt of such cash is pending at the balance sheet cutoff date.

The systems used to record and process Backpay transactions by Finance have the capability to properly record Backpay transactions, and management maintains that it has developed and implemented reconciliation and verification controls. The systems, however, do not comply with Office of Management and Budget (OMB) Circular A-127, Financial Management Systems.

Because substantial issues remained on the accounting status of Backpay funds, we requested a determination from OMB on the proper accounting treatment. OMB agreed that two categories of Backpay needed to be noted on the financial statements.

- We issued Inspection Report OIG-INS-28-03-05, *Review of Education Credentials*, on September 26, 2003.

We initiated this inspection to verify the existence of employee education credentials and whether or not they were received from accredited institutions. We also reviewed the Agency's training records to determine if the Agency funded training at nonaccredited colleges or universities.

We found that 441 of 454 employees completed the degree requirements at an accredited United States college or university as indicated in their Official Personnel File (OPF). We excluded attorney and administrative law judge positions as these were previously reviewed.

We initiated investigations of 12 employees who either did not complete the highest degree indicated in his or her OPF, completed the degree after the date indicated on their application, or attended a nonaccredited school.

We reviewed the Agency's training records for Fiscal Year 2001. That review did not disclose that the Agency paid for any courses at nonaccredited colleges or universities.

- We issued Issue Alert OIG-IA-03-03, *Financial Statement Audit – Legal Representation Letter*, on August 28, 2003. This Issue Alert notified the Agency of the requirement to produce a Legal Representation Letter disclosing potential liabilities as part of the process in auditing the FY 2004 financial statements.

We suggested that the General Counsel is in the best position to respond to the request for the Legal Representation Letter because the two parts of the Agency that are responsible for representing the Agency in litigation, the Special Counsels and the Division of Enforcement Litigation, are under the purview of the Office of the General Counsel. In a memorandum dated September 24, 2003, the General Counsel concurred that he is in the best



position to respond to the request for the Legal Representation Letter.

- Pursuant to section 638 of the Consolidated Appropriations Resolution, 2003, Public Law 108-7, February 20, 2003, we provided a report to the Committees on Appropriations detailing what policies and procedures are in place at the NLRB to give first priority to the **location of new offices and other facilities in rural areas**, as directed by the Rural Development Act of 1972.

The Agency does not have a written policy giving first priority to the location of new offices in rural areas. The Agency's field office placement practice is based on analyzing case filings to achieve the most efficient means of getting quickly to labor disputes. Typically, this results in having field offices in locations that are more likely to have labor unrest, such as in and around major cities or industrial areas. Agricultural laborers and their labor disputes are excluded from the NLRB's jurisdiction.

When a labor dispute arises in an area that is not located near a field office, it is the policy of the NLRB to send a field agent to that area to conduct an investigation and to conduct hearings at a location near to the witnesses. Additionally, when the NLRB conducts an election, the election is held at the location of the employer. Agency managers believe that this practice is the most cost-effective means of office placement.

#### **Audit Follow-up**

Agreed upon actions were not completed within 1 year on four audit reports, two of which are now closed.

- ***Review of Information Systems Security***, OIG-AMR-30-00-03, was issued on September 29, 2000. We reached agreement with management on actions needed to implement the 15 recommendations made in the report on December 27, 2000. Action is reportedly completed on 14 of the 15 recommendations. Management is working to implement the remaining

recommendation to install password management software.

- ***Audit of Case Activity Tracking System Security***, OIG-AMR-33-01-02, was issued on August 1, 2001, and we reached agreement with management on actions needed to implement the six recommendations on that date. Actions necessary to close this audit were completed by September 30, 2003.

- ***Audit of Property Controls Over ADP Items***, OIG-AMR-32-01-03, was issued on September 27, 2001. We reached agreement with management on actions needed to implement the two recommendations made in the report on December 13, 2001. Action is reportedly completed on one of the two recommendations.

December 31, 2003. The open recommendation consists of implementing a new help desk system with asset management software.

- ***Evaluation of Board Casehandling Reports***, OIG-AMR-37-02-03, was issued on September 20, 2002. We reached agreement with management on actions needed to implement four recommendations made in the report on September 20, 2002. Actions necessary to close this audit were completed by September 30, 2003.

Management is working to implement the remaining recommendation by

## INVESTIGATIONS PROGRAM

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The Inspector General is to provide policy direction for and is to conduct, supervise, and coordinate investigations relating to the programs and operations of the Agency. *OIG processed 210 contacts, initiated 15 cases, and closed 13 cases. The investigations resulted in one loss of leave, one written reprimand, and \$5,098 in investigative recoveries. One case was referred for prosecution.*

Case Workload			Contacts Processed	
Open (4/1/2003)	13		Received	210
Initiated	15		Initiated Investigation	3
Closed	13		Opened Case -- Referred to Agency	0
Open (9/30/2003)	15		Non-Investigative Disposition	207

- Sexually Explicit Material.** As previously reported, OIG initiated an investigative review to determine if the personnel in the Headquarters were misusing the Agency's Internet access to view sexually explicit material. As a result of this review, we initiated investigations involving five subjects.

The final two investigations were completed during this reporting period. For one subject, the investigation did not disclose evidence to support the allegation. For the remaining subject, the investigation substantiated the allegation and the subject received a

written reprimand and agreed to donate 80 hours of annual leave at a value of \$4,783. (OIG-I-321 and OIG-I-323)

- Transit Subsidy Abuse.** As previously reported, OIG initiated an investigative review of the Agency transit subsidy program by comparing parking permit records to a list of the Agency's transit pass program participants. The investigation substantiated an allegation that a subject was participating in the transit subsidy program while he was named on a worksite-parking permit. During this reporting period, the subject made

restitution to the Agency in the amount of \$315. (OIG-I-330)

- **Bribery.** OIG initiated an investigation after receiving a report that a field examiner attempted to bribe a witness by offering to pay the witness \$250,000 to provide favorable testimony. Evidence collected contradicted the statement of the witness who made the allegation.

The investigation did, however, disclose that one discriminatee who filed a charge with the Region offered to compensate the witness for his lost wages if he would miss work and go to the Regional Office to speak to the field examiner. While this offer of compensation may be inappropriate, it is not a bribe within the meaning of 18 U.S.C. § 201 because it was not made with the intent to influence testimony under oath or affirmation. The U.S. Attorney's Office declined prosecution for any of the individuals involved in this matter. (OIG-I-331)

- **Witness Intimidation.** OIG initiated an investigation after receiving a report that a dog belonging to a witness in a case pending before the Agency was killed to intimidate the witness. The basis for the allegation was that the dog's death was caused when it was poisoned by being induced to eat objects that could not be digested, thereby causing the dog to suffer a long agonizing death in an effort to dissuade the witness from providing evidence.

Although there is no doubt that the dog died and that the death of the dog was caused by the ingestion of objects that could not be digested, the investigation did not discover any evidence that the dog's death was related to witness' participation in a case before the Region. The investigation disclosed that there was a lack of threats or other communications to the witness regarding harm to her dog and her participation in the case, that the witness' dog had a propensity to eat objects that could not be digested, and the witness' other dog was not harmed. (OIG-I-334)

- **Time and Attendance.** OIG initiated an investigation after receiving a number of Hotline complaints regarding the advancement of sick leave to a Regional employee and the improper solicitation of donated leave for the employee.

The investigation did not disclose evidence to support the allegation that there was an improper solicitation of annual leave. Most of the employee's requests for advance sick leave were accompanied with documentation of a serious disability or ailment.

Advance sick leave was also approved for routine illness, care of a family member, and for the funeral of a family member. Such uses of advance sick leave are not authorized by 5 U.S.C. 6307. The Office of Personnel Management (OPM) regulation, 5 C.F.R. 630.401, however, purports to allow up to 40 hours of sick leave to be advanced to care for a family member and for bereavement.

OIG contacted OPM's Office of the General Counsel and requested that they review the regulation. OPM's Office of the General Counsel responded that this issue would be addressed when the regulation is next revised. The Agency agreed to remind managers with the authority to approve advance sick leave requests of the requirements for such approval. (OIG-I-332)

- **Worker's Compensation Fraud.** OIG received an allegation that an employee was working at a part-time outside employment position while being excused from her Government position due to a worker's compensation claim. Documentation obtained by subpoena from her outside employer established that the subject did not work at her part-time position during that period of time. This documentation did, however, provide a start date for the subject's outside employment that was different than the date provided by the subject when she requested approval for the part-time position. The information regarding the start date was provided to the subject's manager. (OIG-I-333)

writing. Three contacts resulted in OIG investigative cases.

### **Hotline**

Employees and members of the public with information on fraud, waste, and abuse are encouraged to contact OIG. A log of calls to a nationwide toll free number or the office numbers and a log of mail, e-mail, and facsimile messages are maintained. All information received, regardless of the method used, is referred to as ***HOTLINE*** contacts.

The information received over the hotline is the basis for the initial review for potential investigations. The information is analyzed to determine if further inquiry is warranted. Most ***HOTLINE*** contacts are calls from members of the public seeking help on an employment related problem or issues outside OIG and/or Agency jurisdiction. As appropriate, OIG refers these callers to the NLRB office; local, state, or Federal agency; or private resource to provide assistance.

During this reporting period, OIG received 210 hotline contacts, of which 55 were telephone calls and 155 were in

## LEGISLATION, REGULATIONS, AND POLICY

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The Inspector General is to review existing and proposed legislation and regulations relating to programs and operations of the Agency and is to make recommendations concerning the impact of such legislation or regulations. Similarly, we review Agency and OIG policy. *We reviewed four pieces of legislation, three regulations, and three policy documents.*

### Legislation

We reviewed the following legislation and provided input when appropriate.

**S. 782 and H.R. 1909**, legislation to amend the NLRA to provide for inflation adjustments to the mandatory jurisdiction threshold of the NLRB.

This legislation would require the NLRB to adjust threshold jurisdiction amounts for inflation at least once every 5 years.

**S. 633, the Small Business Federal Contractor Safeguard Act.** This legislation would generally prohibit an agency from executing a procurement strategy that includes a consolidated contract valued at more than \$2 million. It also would impose special requirements on a procurement strategy that includes a consolidation valued at more than \$5 million.

**S. 837, the Commission on the Accountability and Review of Federal Agencies Act.** This legislation would establish a 12-member presidentially appointed commission to conduct a comprehensive review of Federal agencies and programs. The commission would also recommend the elimination or realignment of duplicative, wasteful, or outdated functions.

**H.R. 1836, the Civil Service and National Security Personnel Improvement Act.** This legislation would make changes to certain agencies in areas of the Federal civil service in order to improve the flexibility and competitiveness of Federal human resources management.

**Regulations**

- On July 10, 2003, an updated **Privacy Act Notice** for the OIG investigative system of records became effective. The updated notice included changes to the routine uses to allow disclosure of information to the public when a legitimate public interest exists, disclosure to members of the President's Council on Integrity and Efficiency/Executive Council on Integrity and Efficiency (PCIE/ECIE) for the purpose of accurate reporting to the President and Congress on the activities of the Inspectors General and for peer review of our investigative activities, and disclosure to other officials to achieve an investigative result.
- We provided comments to the U.S. Office of Government Ethics regarding proposed **post-employment conflict of interest** regulations. We commented that the proposed regulations appear to offer the level of clarity consistent with the Standards of Conduct regulations and that the regulations should be easy to apply and

understand. We found the examples used by the regulations to be particularly easy to understand and anticipate that they will assist in achieving a uniform application of post-employment restrictions.

- We provided comments to OPM stating that the proposed changes to 5 CFR Part 930 achieve the stated goals of streamlining and clarifying the **requirements for IT security awareness training**. We commented that this type of change is particularly beneficial in light of the many other requirements related to the management of an agency's IT systems. Streamlining and clarifying these requirements should allow management officials to focus their efforts on complying with the requirements for security awareness training at all levels rather focusing that effort on determining what is required. Additionally, we concurred that by incorporating by reference the National Institute for Standard and Technology Web site the Government will be in a better position to implement timely and necessary changes.



**Standards**

- We provided comments to the General Accounting Office regarding the Federal Accounting Standards Advisory Board **Exposure Draft, Accounting for Fiduciary Activities, April 2003**. We commented that the use of the Term “fiduciary” unnecessarily limits the disclosure that might otherwise be appropriate. We recommended that the scope of the exposures draft be expanded to include other assets that are held by the Government for the benefit of a third party, but which do not create the duties and responsibilities of a fiduciary relationship.
- We provided comments to the PCIE/ECIE Investigations Committee regarding an update of the **Quality Standards for Investigations**. We commented that the issue of timeliness of an investigation was not treated consistently throughout the document.

We recommended that timeliness be treated consistently in each part of the standards and that a due diligence and

timely manner standard be adopted in lieu of defined timeframes. We also recommended that the quality standard not adopt mandatory data elements for management information and that any lists be illustrative.

- We provided comments to the PCIE regarding the proposed updated policy statement on internal quality control and external quality control reviews from the **PCIE Peer Review Guide**. We suggested that the offices that do not fully implement an internal quality control system have the option to implement controls other than referencing all reports.

## LIAISON ACTIVITIES

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The Inspector General is to recommend policies for, and is to conduct, supervise, or coordinate relationships between the Agency and other Federal agencies, state and local governmental agencies, and non-governmental entities. The Inspector General is to give particular regard to the activities of the Comptroller General of the United States, as head of GAO. Similarly, we encourage OIG staff members to participate in Agency programs and activities. *OIG staff members are active in the inspector general community and Agency activities.*

### **Inspector General Community**

- The Inspector General is a member of the ECIE, which consists primarily of the inspectors general at the designated Federal entities in the 1988 amendments to the IG Act. She participated in activities sponsored by the PCIE, which consists primarily of the Presidentially-appointed inspectors general. She joined the Audit Committee in May 2001.

The Assistant Inspector General for Audits, or designated auditors, participated in the Federal Audit Executives Council, Financial Statement Audit Network, and PCIE Results Act Group.

The Counsel participated in the Council of Counsels to Inspectors General. The Counsel is also the ECIE representative

to a committee that revised the *Quality Standards for Federal Offices of Inspector General*. In honor of the 25th anniversary of the Inspector General Act of 1978, the quality standards will be known as the “Silver Book.” These standards set forth the overall quality framework for managing, operating, and conducting the work of the Offices of Inspector General.

OIG staff received five Awards for Excellence for audit and investigation work. These awards were presented at the PCIE and ECIE Sixth Annual Awards Ceremony celebrating the 25<sup>th</sup> Anniversary of the Inspector General Act of 1978 on October 16, 2003. An awards ceremony and open house was also held at the NLRB OIG on Friday, October 17, 2003.

The Awards for Excellence were:

❖ **Travel and Purchase Card Team**

Emil T. George

David P. Berry

Bridgette S. Hicks

Kathryn A. Jones

❖ **Improper Use of Government**

**Computers Team**

David P. Berry

Kathryn A. Jones

❖ **Review of Agency Leased Vehicles**

Emil T. George

Bridgette S. Hicks

❖ **Voluntary Participation in an**

**Investigative Peer Review**

David P. Berry

Dawn Nelson

❖ **Assisting the Merit Systems**

**Protection Board**

David P. Berry

**Agency Activities**

The Counsel is an advisory member of the Government Paperwork Elimination Act Committee. During this reporting period, the Committee announced a pilot Board e-filing project that will allow parties to use the Agency's Web site to file electronic extensions of time to file documents with the Board. The Committee is in the process of identifying and researching off-the-shelf software that will enhance response capability for Freedom of Information Act (FOIA) requests and is developing the infrastructure to support electronic FOIA request for field offices. The Committee continues to work toward electronic filing formats.

**General Accounting Office**

The IG Act states that each inspector general shall give particular regard to the activities of the Comptroller General of the United States with a view toward avoiding duplication and ensuring effective coordination and cooperation. No reviews are currently ongoing.

## **INFORMATION REQUIRED BY THE ACT**

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Certain information and statistics based on the activities accomplished during this period are required by section 5(a) of the IG Act to be included in the semiannual reports. These are set forth below:

### **Section 5(a)**

- (1), (2), (7)      OIG identified significant problems, abuses or deficiencies relating to the administration of information systems security (see page 5). For the purpose of this section, we used the definition of significant as set forth in the Federal Managers' Financial Integrity Act.
  
- (3)                Corrective action has been completed on all significant recommendations that were described in the previous semiannual reports.
  
- (4)                One matter was referred to prosecutorial authorities. There were no prosecutions or convictions.
  
- (5)                No reports were made to the Chairman that information or assistance requested by the Inspector General was unreasonably refused or not provided.
  
- (6)                A listing by subject matter is located on page 20.
  
- (8), (9)          No audit reports issued during this period had a recommendation on questioned costs. One audit report identified funds that could be put to better use. See Tables 1 and 2.
  
- (10)              There are no audit reports issued before the commencement of the reporting period for which no management decision has been made by the end of the reporting period.
  
- (11)              No significant revised management decisions were made during the reporting period.
  
- (12)              There were no significant management decisions with which I am in disagreement.

## **AUDIT REPORTS BY SUBJECT MATTER**

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<b><u>Report Title and Number</u></b>	<b><u>Questioned Costs</u></b>	<b><u>Unsupported Costs</u></b>	<b><u>Ineligible Costs</u></b>	<b><u>Funds To Be Put To Better Use</u></b>
ADMINISTRATION				
Review of Data Accuracy in the FY 2001 Annual Report, OIG-AMR-39-03-04	0	0	0	57,000
Information Security Review of New Automated Systems, OIG-AMR-40-03-03	0	0	0	0

**Table 1****REPORTS WITH QUESTIONED COSTS**

	<u>Number of Reports</u>	<u>Dollar Value</u>	
		<u>Questioned Costs</u>	<u>Unsupported Costs</u>
A. For which no management decision has been made by the commencement of the period	0	0	0
B. Which were issued during the reporting period	0	0	0
Subtotals (A+B)	0	0	0
C. For which a management decision was made during the reporting period	0	0	0
(i) Dollar value of disallowed costs	0	0	0
(ii) Dollar value of costs not disallowed	0	0	0
D. For which no management decision has been made by the end of the reporting period	0	0	0
Reports for which no management decision was made within six months of issuance	0	0	0

## REPORTS WITH RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE

**Table 2**

	<b><u>Number of Reports</u></b>	<b><u>Questioned Costs</u></b>
A. For which no management decision has been made by the commencement of the period	0	0
B. Which were issued during the reporting period	1	\$57,000
Subtotals (A+B)	1	\$57,000
C. For which a management decision was made during the reporting period	0	0
(i) Dollar value of disallowed costs	0	0
(ii) Dollar value of costs not disallowed	0	0
D. For which no management decision has been made by the end of the reporting period	0	0
Reports for which no management decision was made within six months of issuance	0	0



**Fraud Waste Abuse -  
You can stop it!**

**Call the IG HOTLINE  
800 736-2983**

**Or Write to the  
Office of Inspector General  
NLRB  
1099 14<sup>th</sup> Street, NW  
Washington, DC 20570**