



UNITED STATES OF AMERICA
FEDERAL LABOR RELATIONS AUTHORITY

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INSPECTOR GENERAL

January 30, 2024

The Honorable Susan Grundmann
Chairman
Federal Labor Relations Authority

Dear Chairman Grundmann:

This letter communicates the results of the Office of Inspector General's (OIG) annual review on the Federal Labor Relations Authority's (FLRA's) compliance with the *Payment Integrity Information Act of 2019* (PIIA)¹ for Fiscal Year (FY) 2023 (Report MAR-24-01).

The OIG reviewed the improper payment information section of the FY 2023 FLRA's Performance and Accountability Report (PAR) and other material to determine its compliance with certain requirements in PIIA.

BACKGROUND

The PIIA aims to improve efforts to identify and reduce government-wide improper payments. Agencies are required to identify and review all programs and activities they administer that may be susceptible to significant improper payments based on guidance provided by the Office of Management and Budget (OMB). Payment integrity information is published with the agency's annual financial statement in accordance with payment integrity guidance in OMB Circular A-136. The agency must also publish any applicable payment integrity information required in the accompanying materials to the annual financial statement in accordance with applicable guidance. The most common accompanying materials to the annual financial statement are the payment integrity information published on paymentaccuracy.gov.² Agency's Inspectors General are to review payment integrity reporting for compliance and issue an annual report.

REVIEW RESULTS

We determined FLRA was compliant with PIIA reporting requirements for FY 2023. FLRA published improper payment information in the PAR for FY 2023, posted the PAR on the agency website, and included the required link to accompanying materials on PaymentAccuracy.gov.

¹ Payment Integrity Information Act of 2019, Public Law 116-117 (March 2, 2020) (codified at 31 U.S.C. §§ 3351-3358).

² This information is provided by the agency to OMB through the Annual Data Call and is then subsequently published on paymentaccuracy.gov.

The six PIIA requirements and FLRA compliance are listed in the table below.

OMB Requirements for PIIA Compliance		FLRA Compliant
1	Published improper payment information with the PAR in accordance with OMB guidance and posted it on the agency website.	Yes
2	Conducted improper payment risk assessments for each program with annual outlays greater than \$10,000,000 at least once in the last 3 years and adequately concluded whether the program is likely to make improper payments above or below the statutory threshold.	N/A
3	Published improper payment estimates for programs susceptible to significant improper payments.	N/A ³
4	Published correction action plans in the PAR.	N/A
5	Published reduction targets, demonstrated improvements to reach a tolerable rate, and developed a plan to meet target rate.	N/A
6	Reported an improper payment estimate of less than 10 percent for each estimate published.	N/A

Published Improper Payment Information

FLRA published its PAR on the budget and performance page of the FLRA public website. The FY 2023 report included a link to [PaymentAccuracy.gov](https://www.paymentaccuracy.gov).

For FY 2023, FLRA responded to the OMB Annual Data Call with the required fields of information. We reviewed FLRA's entries into [PaymentAccuracy.gov](https://www.paymentaccuracy.gov) and have documented them below.

FLRA Information Submitted to [PaymentAccuracy.gov](https://www.paymentaccuracy.gov)

FLRA Executive Summary FY 2023

The Federal Labor Relations Authority remains committed to fiscal responsibility and diligent stewardship of taxpayer dollars. As part of our ongoing efforts, FLRA operates on a three-year improper Payment risk assessment cycle. The results our most recent risk assessment conducted

³ Requirement is not applicable because FLRA determined in its most recent risk assessment that the agency's programs are not susceptible to significant improper payments.

FLRA Information Submitted to PaymentAccuracy.gov (Continued)

in FY 22 reaffirmed that FLRA’s programs are not likely to be susceptible to significant improper payments, demonstrating our effective management and financial integrity.

Identification and Recovery of Overpayments

Fiscal Year	Overpayment Amount Identified for Recapture (\$M)	Overpayment Amount Recovered(\$M)
2023	\$0.00M	\$0.00M

Recovery Activities

FLRA did not conduct any recovery activities to identify or recover overpayments during this reporting cycle.

Recovery Audits

The agency did not conduct any recovery audits to identify or recover overpayments during this reporting period. The agency has determined that it is not cost effective to conduct recovery audits in certain programs. The IPERA also requires agencies to conduct payment-recapture audits for each program that expends \$1 million or more annually, if conducting such audits would be cost-effective. Based on the criteria set forth in Appendix C of OMB Circular A-123, the agency has also determined that it would not be cost-effective to establish a recovery-audit program for its programs that expend more than \$1 million. Recoveries are not expected to be greater than the costs incurred to identify any overpayments. Not Applicable.

Confirmed Fraud

The agency did not have any confirmed fraud in this reporting cycle.

FLRA did not conduct any recovery activities to identify and recover overpayments during this reporting cycle.

We reviewed FLRA’s entries via PaymentAccuracy.gov and confirmed the payment recapture audit results performed by the U.S. Treasury Bureau of Fiscal Service. We confirmed it is unlikely that FLRA reached the significant improper payment threshold in FY 2023⁴

Improper Payment Risk Assessment

PIIA requires the agency to conduct an improper payment risk assessment, at least once every 3 years, for each program with annual outlays greater than \$10 million. This is done to determine whether the program is likely to make improper payments that would be, in total, above the statutory threshold. The next scheduled risk assessment is due in FY 2025.

⁴ A significant improper payment is defined as exceeding \$10 million of all reported program or activity payments of the executive agency made during that FY and 1.5 percent of program outlays or \$100 million.

Progress on Previous Recommendation

For FY 2022, OIG made one recommendation to ensure FLRA's compliance with PIIA. The recommendation was for FLRA respond to OMB's annual payment integrity data call. The information collected through the data call should be published on paymentaccuracy.gov and is considered accompanying materials to the financial statement. Include a link to PaymentAccuracy.gov within future PAR's.

FLRA reported its annual improper payment data in OMB's annual payment integrity data call and included a link to PaymentAccuracy.gov in its PAR. This recommendation is considered closed.

SCOPE AND METHODOLOGY

To perform the FY 2023 compliance review, we gained an understanding of the requirements in OMB Circular A-123, Appendix C (M-21-19, March 2021), OMB Circular A-136 (August 10, 2021 and June 3, 2022), OMB Annual Data Call Instructions, and the OMB Payment Integrity Question and Answer Platform. We performed the review using the Council of the Inspectors General on Integrity and Efficiency *Guidance for Payment Integrity Information Act Compliance Reviews*, dated October 19, 2023.

To answer our objective, we reviewed the agency's PAR, paymentaccuracy.gov and the results of PIIA compliance testing performed by the independent public accountants who audited the FLRA FY 2023 financial statements. Further, during our review of relevant prior year data, nothing came to our attention that would indicate that the agency is susceptible to significant improper payments.

CONCLUSION

For FY 2023, we determined FLRA was compliant with the six reporting requirements outlined in the PIIA. OIG made no recommendations.

If you have questions, please contact me on (771) 444-57134.

Respectfully,



Dana A. Rooney
Inspector General

cc:

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