

**U.S. Department of Labor**

**Office of Inspector General—Office of Audit**

**REPORT TO THE OFFICE OF  
LABOR-MANAGEMENT STANDARDS**



**OLMS CAN DO MORE TO PROTECT  
WORKERS' RIGHTS TO UNIONIZE  
THROUGH ENFORCING PERSUADER  
ACTIVITY DISCLOSURE**

**DATE ISSUED: MAY 3, 2024  
REPORT NUMBER: 09-24-002-16-001**



## BRIEFLY...

### OLMS CAN DO MORE TO PROTECT WORKERS' RIGHTS TO UNIONIZE THROUGH ENFORCING PERSUADER ACTIVITY DISCLOSURE

#### WHY WE DID THE AUDIT

The Office of Labor-Management Standards (OLMS) is responsible for enforcing requirements under the Labor-Management Reporting and Disclosure Act of 1959 for disclosing persuader activity when an employer or organization hires someone to influence an employee regarding unionization. OLMS obtains and publicly releases persuader activity reports. Timely, complete, and accurate receipt and subsequent disclosure of this information enables employees to protect their rights and interests to unionize. In Fall 2022, OLMS requested we review its efforts to enforce these requirements and improve employers' and consultants' persuader activity reporting.

Given this request and the importance to workers, we conducted this audit to determine:

To what extent did OLMS enforce the Labor-Management Reporting and Disclosure Act's persuader activity requirements to protect workers' rights to unionize?

Our audit included analysis of the tip line process and collaboration with the National Labor Relations Board.

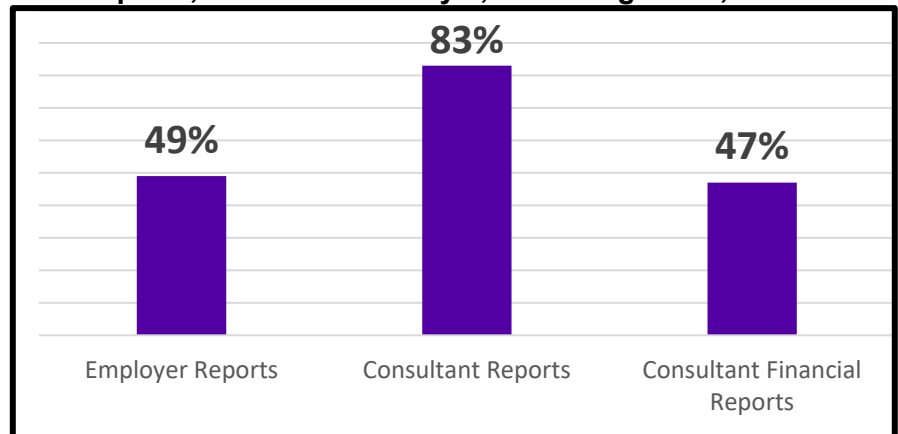
#### READ THE FULL REPORT

For more information, go to: <https://www.oig.dol.gov/public/reports/oa/2024/09-24-002-16-001.pdf>.

## WHAT WE FOUND

We found OLMS did not effectively enforce persuader activity requirements to protect workers' rights to unionize. Specifically, OLMS did not effectively ensure required persuader activity reports were filed and that employers and consultants that filed did so timely and accurately. During the more than 3-year period we reviewed, only 428 employers and 211 consultants reported persuader activity. However, the National Labor Relations Board reported around 1,100 organizing campaigns in 2021, and research indicates employers hired persuader consultants in about 825 of those campaigns, raising concerns of significant underreporting. Further, our data analyses found that, of the reports filed during the reviewed period, 49 percent of employer reports, 83 percent of consultant reports, and 47 percent of consultant financial reports were filed after the required filing dates (see Figure).

**Figure: Percentages of Delinquent Persuader Activity Reports, Received January 1, 2021–August 22, 2023**



Source: OLMS Electronic Forms System

We also found OLMS did not ensure it addressed tips provided by the public. In addition, OLMS did not effectively coordinate with the National Labor Relations Board to obtain information related to persuader activities.

These issues occurred because OLMS: (1) had limited enforcement authority; (2) lacked sufficient policies, procedures, and systems for monitoring reports and tips; and (3) did not fully implement processes for sharing information and resources with the National Labor Relations Board. As a result, missing, untimely, and inaccurate reports may have negatively impacted workers from making informed decisions about unionization. In addition, missed tips as well as delayed responses may have eroded or may in the future erode trust in the tip line and deter tipsters from providing helpful information about persuader activities.

## WHAT WE RECOMMENDED

We made six recommendations to OLMS to improve enforcement of persuader activity reporting. OLMS generally agreed with our recommendations.

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## INSPECTOR GENERAL'S REPORT

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This report presents the results of the U.S. Department of Labor (DOL) Office of Inspector General's (OIG) audit of the Office of Labor-Management Standards (OLMS) efforts to enforce the Labor-Management Reporting and Disclosure Act's (Act) persuader activity disclosure requirements to protect workers' rights to unionize.

In the Act, Congress specified that public interest would be served by protecting employees' rights to organize, to choose their own representatives, and to bargain collectively.<sup>1</sup> Congress stated the Act would afford necessary protection of the rights and interests of employees and the general public as it relates to the activities of labor organizations, employers, labor relations consultants, and their officers and representatives. The Act requires that employers and labor consultants hired by employers report to OLMS when they enter into an arrangement under which the consultant or subconsultant agrees to influence an employee regarding unionizing, also known as a persuader activity.

OLMS helps ensure workers have a voice in the workplace. It highlights the importance of unions by promoting transparency throughout the labor community through its limited enforcement of multiple disclosure obligations, including the Act's persuader activity requirements. When an employer or other individual reports persuader activity through the OLMS electronic system, OLMS is required to publicly release these reports and does so through its public website. Timely, complete, and accurate dissemination of this information enables employees to protect their rights and interests to unionize.

In Fall 2022, OLMS requested we review its efforts to enforce the Act's requirements and improve employers' and consultants' persuader activity

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<sup>1</sup> 29 USC 401

reporting. Given this request and the importance to workers, we conducted this audit to determine:

To what extent did OLMS enforce the Labor-Management Reporting and Disclosure Act's persuader activity requirements to protect workers' rights to unionize?

To accomplish our objective, we reviewed: related statutes, policies, and procedures; internal processes; OLMS enforcement of the Act's persuader activity reporting and disclosure requirements from January 2019 through August 2023; and external coordination with the National Labor Relations Board (NLRB). We also interviewed personnel from unions, OLMS, and NLRB.

## RESULTS

We found OLMS did not effectively enforce the Act's persuader activity requirements to protect workers' rights to unionize. Specifically, OLMS did not effectively ensure persuader activity reports were filed and that employers and consultants that filed did so timely and accurately, nor did OLMS ensure it addressed tips provided by the public. In addition, OLMS did not effectively coordinate with NLRB to obtain information related to persuader activities. These issues occurred because OLMS: (1) had limited enforcement authority; (2) lacked sufficient policies, procedures, and systems for monitoring reports and tips; and (3) did not fully implement processes for sharing information and resources with NLRB. As a result, missing, untimely, and inaccurate reports may have negatively impacted workers from making informed decisions about unionization. In addition, missed tips as well as delayed responses may have eroded or may in the future erode trust in the tip line and deter tipsters from providing helpful information about persuader activities.

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### **OLMS NEEDS TO IMPROVE ITS MONITORING OF PERSUADER ACTIVITY DISCLOSURES**

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OLMS did not effectively ensure required persuader activity reports were filed nor that employers and consultants that filed did so timely and accurately. These issues occurred because OLMS had limited enforcement authority, such as the ability to levy fines and penalties, giving employers and consultants little incentive to comply. In addition, the OLMS system for tracking reports contained inaccurate and incomplete information. As a result, untimely and inaccurate

reports may have negatively impacted workers' ability to make informed decisions about unionization.

## **EMPLOYERS AND CONSULTANTS DID NOT FILE REQUIRED PERSUADER ACTIVITY REPORTS**

The Act does not authorize OLMS to levy fines and penalties, limiting its authority to enforce disclosure requirements. Because of this, OLMS relies on employers and consultants to report persuader activities, making it difficult to ensure a complete universe of persuader activity reports. However, evidence suggests many employers and their consultants are not filing them. The NLRB reported that there were around 1,100 organizing campaigns in 2021, and research indicates employers hire persuader consultants in around 75 percent (or 825) of such campaigns.

While OLMS has increased the number of persuader reports filed within the last year, the numbers are still low. In the 3-year period we reviewed, January 1, 2021, through August 22, 2023, we found only 428 employers and 211 consultants reported persuader activities to OLMS. According to the Bureau of Labor Statistics, as of June 2023, there were approximately 12 million employers in the United States. While the total number of employers engaging in persuader activities each year is unknown, the low number of reporting businesses raises concerns that persuader activities are significantly underreported.

We analyzed electronically filed persuader activity report data to determine if OLMS had corresponding reports for employers and consultants that did file. Both employers and the consultants they hire are required to separately disclose their persuader activity in one or more of the following three types of reports:

1. LM-10, Employer Report (employer report);
2. LM-20, Agreement and Activities Report (consultant report); and
3. LM-21, Receipts and Disbursements Report (consultant financial report).

We found examples where either the employer or the consultant had filed a report but the corresponding report was not filed, contributing to the underreporting. Our analysis identified the following missing reports:

- 605 employers were named in consultant reports but did not file a corresponding employer report with that exact name;
- 1,478 consultants were named in employer reports but did not file a corresponding consultant report with that exact name; and
- 142 consultants were named in consultant reports but did not file a corresponding consultant financial report with that exact name.

Not having exact matches in information can make manual matching difficult. For example, a company name can be abbreviated, contain punctuation, or can be spelled different ways, all of which may prevent accurate matching.

In reviewing for delinquent and deficient reports, OLMS staff also experienced challenges while matching employer and consultant reports due to the reported information being insufficient or inaccurate.

According to OLMS staff, these restrictions made matching time-consuming, and limited staffing, resources, and tools to complete the process also hampered its effectiveness. In addition, OLMS did not require employers or consultants to include their tax identification numbers,<sup>2</sup> which may have helped staff better match consultant and employer reports and assist in identifying missing reports.

### **EMPLOYERS AND CONSULTANTS FREQUENTLY SUBMITTED PERSUADER ACTIVITY REPORTS AFTER THE REQUIRED FILING DATE**

Of the reports that were filed, our data analyses found that 49 percent of employers and 83 percent of consultants filed their reports after the required filing dates. Under the Act, 29 CFR, and guidance from OLMS, employers and consultants are required to file reports to disclose persuader activities and expenditures within the following time requirements:

- employer reports shall be filed within 90 days after the employer’s fiscal year end;<sup>3</sup>
- consultant reports shall be filed within 30 days after entering into an agreement or arrangement;<sup>4</sup> and
- consultant financial reports shall be filed within 90 days after the filer’s fiscal year end.<sup>5</sup>

Our analyses identified 428 employers submitted 537 employer reports from January 1, 2021, through August 22, 2023. Of those, 265 (or 49 percent) were submitted more than 90 days after the employer’s fiscal year end (see Figure 1).

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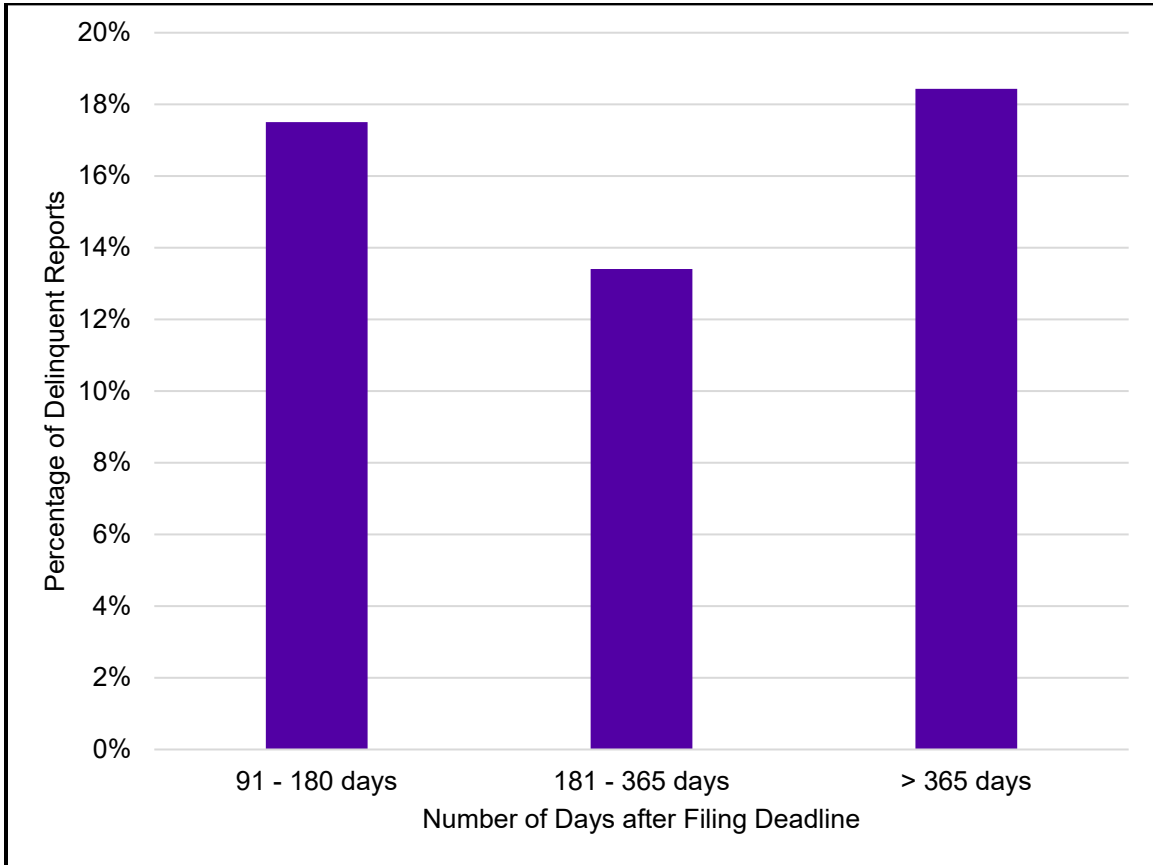
<sup>2</sup> A tax identification number is a unique nine-digit number that the U.S. Internal Revenue Service assigns to businesses.

<sup>3</sup> Act, Section 203(a), 29 CFR Part 405, and OLMS Interpretative Manual, Section 250

<sup>4</sup> Act, Section 203(b), 29 CFR Part 406, and OLMS Interpretative Manual, Section 260: Every person required to file a LM-20 must also file a LM-21 (consultant financial report) if any payments were made or received during the fiscal year.

<sup>5</sup> Act, Section 203(b), 29 CFR Part 406, and OLMS Interpretative Manual, Section 260

**Figure 1: Percentages of Delinquent Form LM-10s (Employer Reports), Received January 1, 2021–August 22, 2023**



Source: OLMS Electronic Forms System

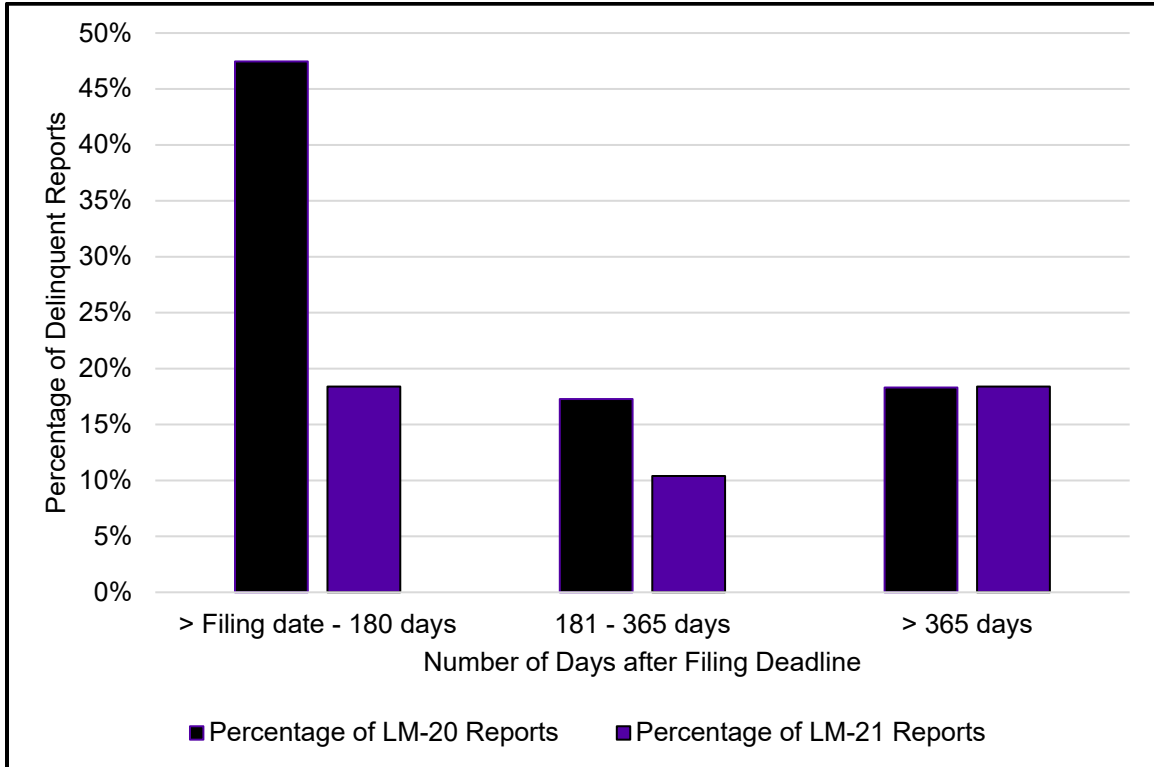
In addition, employers must file annually if continuing to use labor consultants to dissuade employees from unionizing. Of the 428 employers that filed in 2021, 147 employers did not file in 2022, and, as of August 22, 2023, 157 of these employers have yet to file a report for 2023. OLMS did not follow-up with these employers to confirm whether persuader activities continued and, as needed, to receive required reports to ensure public disclosure.

Our analyses identified 211 consultants submitted 1,458 consultant reports from January 1, 2021, through August 22, 2023. Of those, 1,211 (or 83 percent) were submitted more than 30 days after the employer-consultant agreement or arrangement date (see Figure 2). Further, our analysis identified 109 consultants submitted 250 consultant financial reports from January 1, 2021, through



August 22, 2023. Of those, 118 (or 47 percent) were submitted more than 90 days after the end of the consultant’s fiscal year.

**Figure 2: Percentages of Delinquent Form LM-20s (Consultant Reports) and LM-21s (Consultant Financial Reports), Received January 1, 2021–August 22, 2023**



Source: OLMS Electronic Forms System

As noted previously, OLMS had limited enforcement authority for ensuring compliance with the Act’s persuader activities disclosure requirements. The Act does not authorize civil monetary penalties for late filing of any required report. However, it does authorize DOL to bring a civil action to compel the filing of any required report. Further, the Act provides for criminal penalties for willfully failing to file a required report or submitting a false report.

OLMS told us that, because proving willful noncompliance is difficult, it has not pursued criminal enforcement by prosecuting, for example, employers or individuals that consistently fail to file timely reports. However, OLMS has opened enforcement cases to obtain delinquent and deficient persuader activity reports. According to OLMS, employers and consultants may not want to submit persuader activity reports because they do not want to be known as anti-union. In

addition, OLMS indicated employers may not want employees to know that consultants were working to defeat a union organizing campaign while the campaign was ongoing.

Our analysis of survey responses also indicated that OLMS did not effectively enforce persuader activity disclosure. We surveyed 50 unions from a variety of sectors (e.g., communications, entertainment, hospitality, and construction) nationwide to gauge efforts by OLMS to enforce persuader activity reporting. Nineteen unions responded<sup>6</sup> (38 percent); of those, 64 percent indicated that OLMS did not effectively ensure filing of persuader activity reports. Further, approximately 36 percent of respondents indicated that OLMS does not have sufficient enforcement options to gain compliance.

Unions also raised concerns about OLMS' follow-up and community outreach efforts. Specifically, union representatives requested more outreach and training from OLMS regarding where to find out about reported persuader activity and how to report persuader activities that have yet to be disclosed. Without these reports, unions indicated that employees and union organizers have little transparency regarding ongoing persuader activities and money being spent on anti-union campaigns.

### **OLMS DID NOT SUFFICIENTLY ESTABLISH DATABASE MANAGEMENT PROTOCOLS**

We also determined the persuader activity disclosure data was inconsistent, incomplete, inaccurate, and included duplicates. OLMS used a web-based system<sup>7</sup> for collecting and tracking persuader activity reports. The system included specific field level requirements (i.e., date or field formats and drop-down fields) and validation rules (i.e., incorrect formats and blanks) to authenticate the data before submission. The U.S. Government Accountability Office's Standards for Internal Control<sup>8</sup> state that management should design appropriate application controls to achieve valid, complete, and accurate data. However, our analyses identified several errors indicating the system requirements and validation rules were not working properly, such as:

- spelling variations with employer or consultant names
  - for example, names may include the full company name, partial company name, or company acronym all leading to different naming conventions;

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<sup>6</sup> Not all of the 19 unions responded to every question in the survey.

<sup>7</sup> OLMS Electronic Forms System

<sup>8</sup> The U.S. Government Accountability Office Standards for Internal Control in the Federal Government, September 2014 (GAO-14-704G), Principals 11 and 13

- consultant names were generic, such as “Consultant”;
- multiple file numbers associated with same employer and consultant names or multiple names associated with a single file number; and
- blank, inconsistent, incomplete, or inaccurate addresses.

Data errors indicated OLMS did not ensure persuader activity reports included all required elements or the accuracy of reported elements. Further, as previously noted, such errors also limited OLMS’ ability to identify when corresponding reports were obtained for the same persuader activity from both the employer and the consultant(s). Accurate reporting from both employers and consultants and subsequent disclosure from OLMS are necessary for workers to understand who was hired and how much they were paid to persuade employees not to unionize.

The low number of reports, untimely reports, and inaccurate reports evidenced that OLMS was not able to effectively monitor persuader activities. These issues occurred due to limited enforcement authority and possibly employer concerns about bad publicity or negative impacts to employee engagement and morale. In addition, according to OLMS, employers and consultants may not want to be known as anti-union. Further, OLMS indicated employers may not want employees to know that consultants were working to defeat the union organizing campaign while the campaign was ongoing. As a result, untimely, inaccurate, and underreported persuader activities may have negatively impacted workers’ ability to make informed decisions about unionization.

In response to our findings, OLMS took the following corrective actions to improve its monitoring of persuader activities:

- allocating investigative resources to develop, expand, and enforce employer and consultant reporting;
- training staff about employer-consultant reporting, key reporting triggers, and unfair labor practices via a webinar; and
- updating its website to include a fact sheet about Form LM-20 common errors and a corresponding blog post about the importance of filing these reports accurately and timely.

OLMS also stated it plans to conduct employer-consultant training on an ongoing basis.

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## **OLMS DID NOT ESTABLISH AN EFFECTIVE TIP LINE PROCESS**

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In April 2022, OLMS implemented a tip line but did not effectively publicize its availability, nor did it identify, track, and respond to tips that the public provided. This occurred because OLMS did not establish proper procedures and internal controls to monitor its tip line process. The lack of established procedures resulted in missed tips as well as delayed responses, which may have eroded or may in the future erode trust in the tip line and deter tipsters from providing helpful information about persuader activities.

## **OLMS DID NOT ENSURE CONTINUED AWARENESS OF ITS NEW TIP LINE**

In April 2022, OLMS added a persuader activity disclosure tip line page to its public website and subsequently publicized the tip line via an initial blog post and social media post. However, it did not take action toward continued public awareness of the tip line's existence. In addition, the tip line page on the OLMS website could not be readily found through internet searches without using specific search terms and questions. The tip line is also not posted on DOL's main webpage. In our survey of 50 unions, only about half of the 19 respondents were aware that OLMS had a tip line and only about a quarter of those respondents knew how to access it. Without widely publicizing the tip line and ensuring it can be found in general searches, unions and the public may not know how to report possible employer and consultant persuader activity.

## **OLMS PERSUADER TIP LINE LACKED A FORMALIZED INTAKE PROCESS**

We also found the tip line lacked a formalized intake process to identify and capture information needed for follow up while allowing tipsters to remain anonymous. According to the U.S. Government Accountability Office's Standards for Internal Control, management should establish information requirements and policies.<sup>9</sup> While OLMS stated it is currently developing a formalized intake process, one was not established prior to creating the tip line. We identified two primary issues with the OLMS tip line as a result: it did not have a separate email account or tracking system, nor did it have a separate phone number.

First, OLMS did not establish an independent email account or tracking system to monitor tips as they were received. E-mailed persuader activity tips went to a centralized email account (OLMS Public), used for all incoming OLMS activities.

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<sup>9</sup> The U.S. Government Accountability Office Standards for Internal Control in the Federal Government, September 2014 (GAO-14-704G), Principals 12 and 13

The Division of Interpretations and Regulations has responsibility for monitoring OLMS Public and that task was rotated on a weekly basis among numerous staff members. According to OLMS, e-mails were reviewed for context, and, if determined to contain persuader activity tips, forwarded to the Division of Compliance Assistance.<sup>10</sup> Depending on how staff interpreted each email's contents, it is possible some tips may not have been sent to the Division of Compliance Assistance.

We conducted a comparative analysis of other DOL agencies<sup>11</sup> to identify processes and procedures used for the intake of complaints and tips from the public. We found having an online complaint intake form is a best practice. Such forms contained prompts to guide an individual to provide required information, such as contact and complaint details, and an option to remain anonymous was also available. Once an individual submitted a complaint, the complaint received an identification number and was then tracked and monitored in the agency information system for follow-up. Also, other DOL agencies have established metrics for response timelines and complaint resolution. Using a standardized intake form reduced potential errors and omissions and provided for faster response and thorough follow-up.

Second, OLMS did not establish a separate phone number dedicated to the tip line. Individuals, unions, and other stakeholders with tips called the general OLMS phone number. Similar to e-mailed tips, tips submitted by phone may not have been sent to the Division of Compliance Assistance. In comparison, the DOL agencies that we benchmarked used a separate phone number to allow the public to submit their complaints. The separation of these activities from the general agency phone number allowed agencies to better identify and track complaint calls.

### **OLMS DID NOT EFFECTIVELY TRACK AND RESPOND TO PERSUADER TIPS**

According to the U.S. Government Accountability Office's Standards for Internal Control, management should establish information requirements and policies.<sup>12</sup> OLMS did not have any requirements or documented procedures for its tip line. While the OLMS Division of Compliance Assistance used a spreadsheet to document tips as they were received, this spreadsheet did not consistently

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<sup>10</sup> The Division of Compliance Assistance is the OLMS office responsible for following up on persuader activity tips.

<sup>11</sup> The Employee Benefits Security Administration, Employment and Training Administration, and Mine Safety and Health Administration

<sup>12</sup> The U.S. Government Accountability Office Standards for Internal Control in the Federal Government, September 2014 (GAO-14-704G), Principals 12 and 13

include tipster information, dates, status information, or reasons for closure (i.e., report submitted or amended). In addition, OLMS was unable to properly monitor tips and efficiently locate needed information. Further, staff did not use a numbering system to match tips to supporting documentation that was stored on a network drive.

We reviewed all 78 tips documented on the OLMS spreadsheet between April 2022 and August 2023. These tips—from individuals, unions, and special interest groups—included information about suspected persuader activities, missing or incomplete reports, and requests for follow-up information. Our review identified a number of issues, such as:

- 16 tips with no supporting documentation showing response or resolution,
- 6 tips with only contact information and no follow-up action,
- 5 tips closed with no explanation,
- 8 tips referred to enforcement with no outcome,
- 4 tips were missing from the tracking spreadsheet,<sup>13</sup> and
- 2 tips received by phone had no follow-up information.

For the eight tips referred to enforcement, we determined that only two tips resulted in a case where OLMS pursued persuader activity reports. OLMS did not document what occurred for the remaining six tips. OLMS officials later explained that they did not open these investigations for various reasons, such as a lack of resources, a determination from the information that no report was required, or other investigative priorities.

We also reviewed OLMS enforcement data from January 2019 to August 2023 to identify if persuader activity reports were obtained as a result of enforcement actions taken by OLMS. We found nine enforcement cases were opened because of a complaint (tip), but these cases were not included in the OLMS tip tracking spreadsheet. In addition, Division of Compliance Assistance staff indicated they were unaware of these nine cases because they had been opened in the field.

We also tested the OLMS tip line by submitting two tips in May 2023 to determine the effectiveness of the process. While OLMS replied timely to each tip, OLMS neither documented them in its tracking spreadsheet nor followed-up to obtain the necessary information to determine if any noncompliance had occurred.

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<sup>13</sup> OLMS had a folder documenting correspondence with the tipsters, but no documentation of the tip on its tracking spreadsheet.

OLMS did not place sufficient emphasis on developing and implementing a comprehensive tip line process. Without effective policies, procedures, and systems to manage persuader activity tips, numerous tips could go unidentified and may not be responded to timely or appropriately. This may prevent OLMS from obtaining required persuader activity reports and negatively impact public trust in the tip line.

During the course of this audit, OLMS initiated some improvements to its tip line process. Specifically, it:

- developed a fillable tip record form to collect specific information (such as report type, contact information, and dates);
- modified its tip tracking spreadsheet to:
  - ensure consistent recording of information,
  - make tips trackable by assigning a file number; and
  - contain sufficient information to allow staff to follow-up on and monitor tips.

OLMS also stated it began drafting written procedures to document the process for handling tips, including when to make referrals to the field and plans to implement a website submission page for tips.

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## **OLMS NEEDS TO IMPROVE COORDINATION WITH NLRB**

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While OLMS had taken steps to facilitate an exchange of information with the NLRB, we found that OLMS had not established effective coordination procedures to obtain timely case information related to potentially reportable persuader activities. NLRB is responsible for safeguarding employees' rights to organize and preventing unfair labor practices and may have information relating to persuader activities identified through its enforcement cases. To support their respective missions, in November 2021, OLMS and NLRB established a Memorandum of Agreement to exchange and use information.

However, the agreement did not specify the detailed information needed by both agencies, procedures and timelines for sharing this information, or the resources necessary for the agreement to operate effectively. In addition, NLRB's limited resources impacted its ability to assist OLMS in obtaining necessary information. As a result, OLMS did not receive sufficient information to proactively identify employers and consultants that have not complied with reporting requirements and to share that information with workers during their unionizing campaigns.

NLRB officials explained staffing shortages prevented them from timely identifying and transferring information to OLMS. Based on interviews with OLMS and NLRB officials, we note that each agency had a limited view of the information available from the other agency as well as how that information could have been shared given available resources.

Without specific guidelines and processes to facilitate effective information sharing, neither agency has been able to realize the full intent of the established agreement. Further, without timely information from NLRB, OLMS may be unaware of employers engaging in persuader activities to obtain and publish persuader activity reports, which puts workers' rights to unionize at risk.

## **OIG'S RECOMMENDATIONS**

We recommend the Director for the Office of Labor-Management Standards:

1. Outline requirements needed to strengthen enforcement authority to align with the Labor-Management Reporting and Disclosure Act of 1959's intentions to protect workers' rights and interests to unionize by recommending rule changes or legislative changes to increase employer and consultant compliance.
2. Implement quality control measures to improve the usefulness of reported information by—at a minimum—ensuring requirements for: completion of required fields, validated addresses, ability to efficiently cross-match corresponding reports, and tax identification number inclusion.
3. Develop an online system to intake, track, and monitor tips from receipt to completion, including anonymity protection.
4. Implement written tip line policies and procedures to standardize the intake, tracking, and resolution processes.
5. Increase awareness of the tip line through enhanced publicity, such as posting it on DOL's complaint webpage.
6. Implement specific collaborative processes for sharing persuader activity and other relevant information with the National Labor Relations Board, including specifying information needs, procedures and timelines for sharing information, resource sharing, and interagency training needs.

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## **ANALYSIS OF AGENCY'S COMMENTS**

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In response to a draft of this report, OLMS generally agreed with our conclusions



as well as our six recommendations to improve enforcement of persuader activity reporting. OLMS maintained that we significantly understated the structural and statutory impediments to more effective enforcement of the reporting requirements associated with persuader activity. OLMS' comments did not result in any changes to our report. Synopses of OLMS' responses follow:

- For Recommendation 1, OLMS neither concurred nor disagreed. While it believed legislative changes are outside of its purview, OLMS stated it is prepared to provide technical assistance toward drafting a provision to maximize compliance if requested by a legislator.
- For Recommendation 2, OLMS largely concurred and looks forward to working diligently to complete the tasks of implementing quality control measures.
- For Recommendation 3, OLMS has already begun researching and analyzing electronic form submissions utilized by other agencies within the Department.
- For Recommendation 4, OLMS concurred with this recommendation and has already taken steps to implement written tip line policies and procedures.
- For Recommendation 5, OLMS concurred with this recommendation and took some corrective actions during the audit, including updating the tip line sections of its website.
- For Recommendation 6, OLMS agreed with the recommendation to implement specific collaborative processes for sharing persuader activity and other relevant information with the National Labor Relations Board.

We look forward to working with OLMS personnel to ensure the intent of the recommendations is addressed. The agency's response to the draft report is included in its entirety in Appendix B. We appreciate the cooperation and courtesies OLMS extended us during this audit.



Carolyn R. Hantz  
Assistant Inspector General for Audit

## **APPENDIX A: SCOPE AND METHODOLOGY**

### **SCOPE**

We reviewed OLMS' enforcement of the Act's persuader activity reporting and disclosure requirements from January 2019 through August 2023. Within this audit scope, we specifically reviewed:

- OLMS enforcement cases closed from January 2019 through August 2023,
- persuader activity reports submitted January 2021 through August 2023, and
- persuader activity tips received from April 2022 through August 2023.

### **METHODOLOGY**

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

To accomplish our audit objective, we obtained an understanding of applicable OLMS policies, laws, guidance, requirements, and regulations relating to how OLMS obtains and discloses persuader activity reports for both employers and consultants. We also interviewed OLMS staff, union representatives, and other stakeholders including from NLRB.

Further, we surveyed a judgmental sample of 50 labor unions nationwide to get their input on OLMS' enforcement of persuader activity disclosure. We selected unions across sectors (e.g., transportation, entertainment, and construction) with varying membership totals. We identified unions through internet research, interviews, and information provided by NLRB.

We also conducted a comparative analysis of other DOL agencies to identify processes and procedures used for the intake of complaints and tips from the public. These agencies were the: Employee Benefits Security Administration, Employment and Training Administration, and Mine Safety and Health Administration.

### *RELIABILITY ASSESSMENT*

We assessed the reliability of persuader activity data from the Electronic Forms System, a module within OLMS' Electronic Labor Organizing Reporting System, by performing completeness, consistency and accuracy tests. Through our testing, we found missing, incomplete, inconsistent and inaccurate employer and organization names and address information. Despite these issues, we determined the data were sufficiently reliable for our purposes as we only used the data set to determine reporting compliance. Other issues with the data were also identified for corrective action.

### *INTERNAL CONTROLS*

In planning and performing our audit, we considered OLMS' internal controls relevant to our audit objective by obtaining an understanding of those controls and assessing control risks relevant to our objective. We considered the internal control elements of control environment, risk assessment, control activities, information and communication, and monitoring during our planning and substantive phases, and evaluated relevant controls. The objective of our audit was not to provide assurance of the internal controls; therefore, we did not express an opinion on OLMS' internal controls. Our consideration of internal controls for administering the accountability of the program would not necessarily disclose all matters that might be significant deficiencies. Because of the inherent limitations on internal controls, or misstatements, noncompliance may occur and not be detected.

### *CRITERIA*

- Labor-Management Reporting and Disclosure Act of 1959
- 29 Code of Federal Regulations, Part 405 (Employer Reports) and Part 406 (Disclosure by Labor Relations Consultants and Other Persons, Certain Agreements with Employers)
- OLMS Interpretative Manual
- OLMS Operations Manual
- OLMS LM-21 Special Enforcement Policy
- Memorandum of Agreement between the National Labor Relations Board and the Department of Labor Office of Labor-Management Standards

regarding the Sharing of Investigatory Information (signed November 2021)

- U.S. Government Accountability Office Standards for Internal Control in the Federal Government, GAO-14-704G, September 2014

*PRIOR RELEVANT COVERAGE*

There were no audit reports released by the OIG or GAO in the past 5 years that were pertinent to this audit.

**APPENDIX B: AGENCY'S RESPONSE TO THE REPORT**

U.S. Department of Labor

Office of Labor-Management Standards  
Suite N-5603  
200 Constitution Ave., NW  
Washington, D.C. 20210  
(202) 693-0123



April 24, 2024

MEMORANDUM FOR: CAROLYN R. HANTZ  
Assistant Inspector General for Audit

FROM: JEFFREY FREUND *Jeffrey Freund*  
Director, Office of Labor-Management Standards

SUBJECT: Response to Office of Inspector General Report: OLMS Can Do More to Protect Workers' Rights to Unionize Through Enforcing Persuader Activity Disclosure

This Memorandum is in response to the Department of Labor's Office of Inspector General (OIG) Report and Recommendations to the Office of Labor-Management Standards (OLMS) regarding the need and desirability for OLMS to expand its enforcement of the Labor-Management Reporting and Disclosure Act's (LMRDA) requirements that employers and labor relations consultants timely and accurately report on their expenditures, agreements and arrangements to persuade employees "to exercise or not to exercise, or as the manner of exercising" their rights protected under the Labor-Management Relations Act (LMRA), to "interfere with, restrain, or coerce employees in the exercise of the right to organize and bargain collectively," and "to obtain information concerning the activities of employees or a labor organization in connection with a labor dispute" as required by Section 203 of the LMRDA (collectively "Reportable Activities"). 29 U.S.C. 433. These reports are denominated Form LM-10 (for employers) and Forms LM-20 and LM-21 (for labor relations consultants).

OLMS agrees entirely with OIG's overarching conclusion that employers and consultants regularly fail to comply with these statutory reporting requirements and that OLMS should increase its enforcement activities in this important area of labor-management relations. Indeed, it was precisely because we believed there was more to be done in this area that OLMS suggested that OIG audit this aspect of our work when OIG proposed an OLMS audit. Not only does OLMS agree with that overarching conclusion, it also accepts all of OIG's recommendations, some as proposed and others with reservations noted.

Notwithstanding our general agreement with OIG's conclusions and recommendations, we submit this Response because OIG has significantly understated the structural and statutory impediments to more effective enforcement of these reporting requirements, the historical focus on union reporting obligations and the efforts OLMS has undertaken since 2021 to increase timely and accurate reporting of these Reportable Activities notwithstanding those impediments. We address these three points below.

- I. There Are Significant Structural and Statutory Impediments that Make Enforcement of Employer and Consultant Reporting Requirements Extremely Difficult

Understanding the challenges surrounding enforcement of the requirement that employers and labor relations consultants timely and accurately file reports of their Reportable Activities begins with a comparison to the regime surrounding labor union reporting requirements. Under Title II of the LMRDA, unions must file a report (LM-1) when they first come into existence and thereafter must file annually a financial report (LM-2, LM-3, LM-4) (Union Annual Report) within 90 days after the close of their fiscal year (the majority of which coincide with the calendar year) unless they terminated their existence in the reporting year, in which case they would have to have filed a terminal report. More than 20,000 unions have filed Forms LM-1 with OLMS. In short, there is a known and readily identifiable universe of entities required to file a Union Annual Report.

The environment regarding employer and labor relations consultant reporting is not as readily identifiable. There are some general similarities. Just as consultant reports must be filed when the consultants engage in Reportable Activities, unions must file the Form LM-1 report upon coming into existence with the purpose of dealing with employers. However, a closer examination reveals a different, much more complicated environment for employer and consultant reporting. A consultant must file a Form LM-20 report for *each* agreement it enters. Thus, while a new union must file, on just one occasion, a Form LM-1 report, within 90 days of coming into existence, a consultant must file a new Form LM-20 report within 30 days of agreeing to engage in Reportable Activities. There is no preexisting listing of all employers or consultants who engage in Reportable Activities in any particular year, and there is no requirement that employers or consultants who have not engaged in Reportable Activities file a “negative report,” i.e. a report identifying themselves and stating they have nothing to report. Accordingly, as to employers, there is no organized way to identify those who have engaged in Reportable Activities in the prior fiscal year and therefore no organized way to know whether any particular employer is delinquent. To borrow a line from the OIG Report, there are “approximately 12 million employers in the U.S. according to [the] Bureau of Labor Statistics,” any one of which (or none of which) may have engaged in Reportable Activities. There is simply no way for OLMS to know, without investigation, which ones have and which ones have not engaged in Reportable Activities, although as discussed in Part III below, one of OLMS’ initiatives with the National Labor Relations Board (NLRB) helps identify some employers who may have engaged in Reportable Activities.

The same holds true for labor relations consultants but with an additional structural impediment. While employers who are required to file LM-10 reports have a knowable date on which they must file – 90 days after the close of their fiscal year if they engaged in Reportable Activities at any time in that year – consultants must file LM-20 reports within 30 days after they enter into an agreement or arrangement with an employer to perform Reportable Activities, whether those agreements are written or verbal. Thus, there is no regularized, fixed or knowable date by which OLMS could know whether a report is due from any particular consultant. Like employers, they are not required to file negative reports. Thus, on any given day of the year, there may be a consultant who is required to file a report, but there is no structural way for OLMS to know that fact without investigation.

This is not to say that OLMS does not take these filing requirements seriously or that it has not taken organizational actions to create mechanisms to enforce them. We discuss those in

Section III below. But those actions all require full-time employee (FTE) resources, i.e., at bottom they are largely investigative actions. OLMS operates with around 195 employees – 43 at headquarters and 152 in 12 field offices around the country. OLMS’ statutory responsibilities that call upon investigative resources are expansive:

- OLMS enforces Title IV of the LMRDA. That Title requires that union members who believe the Act was violated during a union officer election file their complaints with OLMS after exhausting available internal union remedies. OLMS is required by statute to file suit on these complaints, if they are actionable, within 60 days of receiving them. In 2023 there were 126 Title IV complaints filed and investigated by OLMS.
- When OLMS finds that there was a violation of the LMRDA that may have affected the outcome of a challenged election and sues or settles resulting in setting the election aside, OLMS must supervise the re-run election. In 2023 there were 13 OLMS-supervised rerun elections.
- OLMS has a vigorous compliance audit program (CAP) under which it audits local and intermediate union financial books and records to ensure that union funds are being managed in accordance with the fiduciary standards imposed on union officers and an international union audit program (I-CAP) under which it does the same for large national and international unions. In 2023 OLMS conducted 222 CAP audits and 2 I-CAP audits.
- OLMS investigates circumstances where there is a basis to suspect that a union officer or employee, or someone working with them, has misused union funds in a way that violates criminal laws or has otherwise used their position in a way that violates those laws. This law enforcement function is OLMS’ highest priority, although even this work must be put aside when the investigations of complaints concerning union elections require immediate attention. In 2023, OLMS completed 155 criminal investigations and our investigative activities resulted in 39 indictments and 57 criminal convictions.
- OLMS also engages in vigorous compliance assistance with our regulated community – unions, union members, employers, and consultants – all with an object of educating that constituency in an effort to minimize violations of the LMRDA’s various requirements. In 2023, OLMS conducted 116 compliance assistance seminars, providing assistance to 4,409 participants and recorded 12,984 contact hours (i.e., the number of participants multiplied by the number of hours of instruction). While some of this work is performed by non-investigators out of the National office, much of it that is conducted through OLMS district offices is performed by investigators.<sup>1</sup>

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<sup>1</sup> OLMS also investigates, e.g. whether trusteeships were properly imposed under Title III of the LMRDA, and whether the bonding requirements and prohibitions against certain persons holding office under Title V have been met. These matters, however, consume a significantly smaller portion of investigators’ collective time.

It is in the context of these activities that OLMS' enforcement of the various statutory reporting obligations must be assessed, because it is largely the same investigators who do the work set out above who are responsible for investigating delinquent or deficient employer and consultant reports.

There are other structural impediments to OLMS enforcement of these filing requirements. Even collecting the investigative information to determine whether a report is due can be challenging. Section 601 of the LMRDA expressly affords the Secretary broad investigative powers "to make an investigation and in connection therewith he may . . . inspect such records and accounts and question such persons as he may deem necessary to enable him to determine the facts relative thereto" when the Secretary believes someone has violated or is about to violate the law. Because of the clarity of that authority, one would expect employers and consultants to voluntarily produce documents when OLMS requests them during an investigation. Yet that is not the case; in two recent cases involving large national employers, OLMS has been forced to issue subpoenas for records to which it is clearly entitled and to initiate subpoena enforcement actions in Federal court to obtain records necessary to decide whether an employer report is either due or incomplete. As your Report notes, while civil enforcement is available (and while OLMS is pursuing it in several civil cases), the LMRDA contains no civil penalties for a failure to timely or correctly file a required report and a civil enforcement case definitionally will not result in the timely filing of a required report. Finally, while there are criminal penalties for the "willful" failure to file or for filing a false report, OLMS does not have the authority to initiate these criminal processes and there are significant challenges to pursuing criminal cases for reporting violations even when the evidence might support such.

II. In Carrying Out Its Statutory Obligations to Enforce the LMRDA's Reporting Requirements, OLMS' Historical Focus has Been on Enforcing the Union Reporting Requirements and there has Been No Organized, Comparable and Sustained Effort to Enforce the Employer and Consultant Reporting Requirements Until 2021

Since the creation of the Bureau of Labor-Management Reports (the predecessor agency to OLMS responsible for enforcing the reporting requirements of the LMRDA) in 1959, the principal focus of the Agency has been on enforcing the Act's provisions regarding unions. While enforcement priorities changed over time from one Administration to another, OLMS carried out these responsibilities without regard to partisan politics throughout the balance of the century.

In 1992, however, a memorandum to the then-Secretary of Labor Lynn Martin recommended a policy shift with apparent partisan political objectives. The memo, attached hereto, recommended two initiatives regarding unions. The first was to require that employers post a notice advising employees of their right to pay less than full union dues even when paying those dues was a condition of employment contained in a collectively bargained union security clause. The second was to institute changes in the LM- 2 union reporting and disclosure form to provide union-represented employees with detailed information on union expenditures, making it easier for them to object to paying a portion of their dues. While there may have been legitimate policy reasons for these changes, the stated reason for them in the memo was to "weaken our opponents and encourage our allies."



While those recommendations were not implemented in 1992, in 2003 OLMS issued a Rule adopting what is now the electronic Union LM reporting regime requiring much more detailed expenditure reporting than previously required. Separately, OLMS required employers to post the notice to employees described in the 1992 memorandum. At the same time, OLMS ramped up its program for auditing international unions, hiring approximately 6 auditors expressly for that purpose.

Nothing in the 2003 initiative focused on employer or consultant reporting. Indeed, there was no comparable, sustained effort to enforce the Act’s employer and consultant reporting requirements until 2021. There have been intermittent efforts to strengthen enforcement of those provisions. For example, starting around 2010 OLMS began “cross-matching” employer-filed LM-10s and consultant-filed LM-20s to try to ascertain whether both an employer and a consultant party to a persuader arrangement filed their LM reports. In 2011, OLMS began sending letters to employers named in NLRB Representation Petitions advising them of their and their consultants’ reporting obligations. That program ended in 2016 but has since been reinstated and expanded. However, many OLMS initiatives regarding employer and consultant Reports moved in the opposite direction. For example, in 1983 OLMS abandoned what was known as its “split income” method of employer reporting, thereby shielding from scrutiny certain payments by employers to their own employees made to encourage them to persuade other employees about their LMRA-protected rights. In 2016, OLMS adopted a “Special Enforcement Policy” that had the effect of freeing consultants from providing certain financial information on their annual LM-21 reports. In 2018, OLMS withdrew a prior Rule (and abandoned an appeal from an adverse District Court decision enjoining the Rule), adopted just two years earlier, which would have increased the amount of financial information employers and consultants were required to report.

III. Despite These Historical, Structural and Statutory Impediments to Enforcement of the LMRDA’s Employer and Consultant Reporting Requirements, Starting in 2021 OLMS Began Instituting Substantial Changes in its Approach to Enforcement of those Requirements

In an effort to take a more even-handed and comprehensive approach to the full range of the LMRDA’s reporting requirements and give life to largely overlooked sections of the Act, OLMS began to make larger changes to its approach to employer and consultant reporting commencing in early 2021. While the OIG Report recognizes some of the changes OLMS has instituted, it does not capture them all. And its discussion of the changes it does recognize – without contextualizing them against the historical, structural, and statutory impediments to enforcement – does not paint an accurate picture of the current state of OLMS’ enforcement efforts. For completeness, we list below all the measures OLMS has taken since January 2021 to upgrade its enforcement of these reporting requirements.

- Expanded Form LM-10/20 cross-match efforts.
- Initiated a [persuader tip line](#) in early 2022, which is highly visible on the OLMS website and is easily reached via an Internet search. It has led to 131 persuader tips processed and 110 tip-related persuader reports received.

- Engaged in extensive promotion of the tip line, such as issuing a [blog post](#) about the tip line, a [listserv message](#) highlighting the blog, and a [tweet](#), as well as through an expanded Persuader Reporting Orientation Program (PROP) letter that now goes not only to employers who are parties to a union representation matter but to union officials who file the NLRB election petitions.
- Direct outreach to union officials broadly, and meetings with lead union organizers of national and international labor unions, advising them of OLMS' focus on employer and consultant reporting obligations.
- Updated the [employer-consultant reporting fact sheet](#) to provide further examples of both direct and indirect persuader activity.
- Created a new [employer reporting fact sheet](#) that focusses upon surveillance and unfair labor practice Form LM-10 reporting.
- Published a [Form LM-20 common errors fact sheet](#).
- Conducted a [webinar](#) for employers and consultants in September 2022.
- Engaged in direct, compliance assistance outreach with filing labor relations consultants.
- Revised the [Form LM-21 special enforcement policy](#), in April 2024, expanding the scope of consultant reporting on that form.
- The OLMS Director posted multiple persuader-related blogs on his [From the Director's Desk](#) page.
- Published a [revision to the Form LM-10](#), requiring federal contractors to indicate their status on the report.
- Finalized a [Memorandum of Agreement](#), with the NLRB, on information sharing.
- Formed a persuader and surveillance reporting workgroup, which led to the opening of multiple cases.
- Selected four senior investigators to focus a significant portion of their time towards persuader reporting, including the development of a compliance review program for consultants.
- Increased the number of "special reports" cases (including persuader) completed, from just 70 in FY 21 to 106 in FY 22 and 100 in FY 23.

These efforts have led to a significant increase in persuader reports, from just 314 Form LM-20 reports in FY 21, to 747 in FY 22, and 761 in FY 23. See the [LM historical filing data](#) page on the OLMS website.

As noted at the outset of this Response, and notwithstanding the efforts it has already undertaken in this area, OLMS appreciates OIG's recognition of the need to continue to expand its enforcement efforts in this area and is committed to doing so. More specifically, it has the following responses to OIG's Recommendations:

**Recommendation No. 1: Outline requirements needed to strengthen enforcement authority to align with the Act's intentions to protect workers' rights and interests to unionize by recommending rule changes or legislative changes to increase employer and consultant compliance.**

OLMS neither concurs nor disagrees with this recommendation regarding legislation, as it believes that the legislative changes component is outside of the purview of the individual agency. OIG recognizes in its report that OLMS' enforcement authority is constrained by the terms of the LMRDA, which can only be changed through legislation. It is OLMS' view that, while the timely and accurate filing of all reports required by the LMRDA should be encouraged by whatever means available, if legislative efforts are to be directed to any particular filing requirement, efforts to maximize the timely and accurate filing of LM-20 reports deserves the most emphasis. Congress' decision to require that these reports be filed contemporaneously with the activity (within 30 days of the entry into an agreement or arrangement) reflects the policy judgment that workers should know about the existence of these agreements and arrangements while work under them is occurring, not months afterwards. Accordingly, OLMS is prepared to provide technical assistance in the event a legislator requests such assistance in drafting a provision subjecting labor relations consultants to civil monetary penalties for noncompliance with the reporting requirements as a means to maximize such compliance.

In regard to regulatory changes, the LMRDA provides that the Secretary has the authority to adopt regulations "prescribing the form and publication of reports required to be filed under this subchapter and such other reasonable rules and regulations (including rules prescribing reports concerning trusts in which a labor organization is interested) as he may find necessary to prevent the circumvention or evasion of such reporting requirements." 29 U.S.C. 438. OLMS has used that authority to, among other things, modify the format of LM forms for all filers, create new reporting obligations, require electronic filing of reports, and require reporting of categories of employer payments not previously required (although we note that its effort to expand through rulemaking the expenses employers incur for persuader activities was enjoined by a federal court and later rescinded). Additionally, OLMS constantly reviews regulatory and discretionary enforcement options available to increase the scope of Employer and Consultant reporting. For example, in 2023 OLMS modified through [rulemaking its LM-10 Employer Report Form](#) to require filing employers who were federal contractors to indicate that fact on its LM-10 and to describe under which federal contract it was engaging in reportable persuader activities. Additionally, in the [Fall 2023 Regulatory Agenda](#), OLMS advised that it intends to explore the scope of split income reporting on the Form LM-10 Employer Report, where the employer would be required to report, for example, its supervisors' income on a split basis that is, the pro rata share of the supervisor's wages that were spent undertaking the reportable activity. Further, on April 4, 2024, OLMS [revised its Special Enforcement Policy](#) regarding Form LM-21 (Consultant Annual Report) and announced that revision to the regulated community.

There are other areas of regulation and exercise of enforcement discretion OLMS may consider, including various revisions to the Forms LM-10, LM-20, and LM-21 such as requiring that both employers and consultants report their employer identification numbers (EIN) on their respective forms (discussed in connection with Recommendation 2). If adopted, such changes would affect the nature and quality of the information required to be reported and would provide OLMS with greater investigative tools to detect employers and consultants who were required to file reports but who did not. But those changes would not – in and of themselves – advance the goal of maximizing the timeliness or accuracy of such reports in the first instance.

**Recommendation No. 2: Implement quality control measures to improve the usefulness of reported information by—at a minimum—ensuring requirements for: completion of required fields, validated addresses, ability to efficiently cross-match corresponding reports, and tax identification number inclusion.**

OLMS largely concurs with this two-part recommendation and looks forward to working diligently to complete these tasks.

Regarding the first portion of the recommendation surrounding updating the required fields and validation of addresses, OLMS intends to fully explore this through development and coordination with the Office of the Chief Information Officer (OCIO). While the Electronic Forms System (EFS) already has form validation requirements that include the completion of identified required fields, such as addresses, OLMS will more fully explore this area and the potential addition of a process to validate correct addresses accordingly. We anticipate completing this step by the end of the calendar year with the assistance of OCIO, a step that will promptly improve the accuracy and thoroughness of the reports being filed.

OLMS further acknowledges that, with the addition of tax identification number requirements to the forms LM-10, LM-20, and LM-21, we will be better able to cross-match forms and, therefore, improve OLMS' ability to ascertain whether required reports have been filed. With the inclusion of a tax identification number, OLMS will be able to identify those individual employers and/or consultants who have failed to disclose those transactions and agreements required under the LMRDA. However, it is important to note that the adjustments to the employer and consultant forms and instructions to include the tax identification number will require notice-and-comment rulemaking, which is a lengthy process. As a result, the Chief of the Division of Interpretations and Regulations (DIR) will explore necessary regulatory steps needed to include a tax identification number on all employer and consultant reports and will shepherd this recommendation through the rulemaking process. Realistically, however, this second part of the recommendation may take a year or more to complete.

**Recommendation No. 3: Develop an online system to intake, track, and monitor tips from receipt to completion, including anonymity protection.**

OLMS has already begun researching and analyzing electronic form submissions utilized by other agencies within the Department, in order to develop and implement this recommendation with the maximum success possible. OLMS intends to develop and implement a reinvented online submission procedure and make it available to the public by March 30, 2025. We will develop a new vision for what the OLMS electronic form submission will look like and, once that vision is fully developed and memorialized, we will work with OCIO to develop the new platform for submission and incorporate it into the OLMS public website.

It is important to note, however, that OLMS does not wish to develop an online system that requires extensive field completions. OLMS often receives tips from individuals or organizations that have limited or partial information; information that OLMS still finds valuable and useful. As a result, we plan to develop an online submission form that still allows for the submission of partial information and anonymity. While acknowledging that such a system may

facilitate the submission of tips with insufficient information for OLMS, we are accustomed to receiving such information and plan to continue to handle such while avoiding the pitfalls of an insufficient tracking system. The Director of the Office of Program Operations will be responsible for ensuring the development and implementation of the online system to intake, track, and monitor tips from receipt to completion, including anonymity protection.

**Recommendation No. 4: Implement written tip line policies and procedures to standardize the intake, tracking, and resolution processes.**

OLMS concurs with this recommendation and has already taken steps to implement it. The Chief of the Division of Compliance Assistance has drafted new policies and procedures to track tip intake and processing. These procedures are currently being reviewed internally, and OLMS anticipates the finalization of this draft no later than June 30, 2024.

**Recommendation No. 5: Increase awareness of the tip line through enhanced publicity, such as posting it on DOL’s complaint webpage.**

OLMS agrees with this recommendation as well. When OLMS initially implemented the tip line, it prominently displayed the information on its website.<sup>2</sup> From the OLMS homepage, a member of the public can click a link and submit their tip. OLMS took steps to broadly publicize this new tool when it was first implemented. In addition to posting the tip line on our website, OLMS publicized it through its listserv, thereby providing the information to a broad spectrum of stakeholders. OLMS also provided information about the tip line to union PROP letter recipients (i.e., unions who filed Representation Petitions with the NLRB) and through OLMS’ Voluntary Compliance Partnership (VCP) program, which consists of 50 national and international unions. Finally, the OLMS Director has made a concerted effort to speak on this topic to all stakeholders – including specifically union organizers - throughout the country. These union organizers are most likely to learn about, and bring to OLMS’ attention, reportable activities.

Notwithstanding these efforts, OLMS agrees that it can take more steps to publicize the tip line. OLMS plans to develop compliance slides to provide to the district field offices for inclusion in compliance assistance events hosted throughout the country that describe the tip line. Annually, each district office provides compliance assistance within their respective jurisdictions, inviting all labor organizations. This should dramatically increase the grass-roots publicity the tip line receives. Additionally, OLMS will publicize the deployment of the new online portal being developed in Recommendation 4 by prominently placing it on the OLMS homepage, utilizing the listserv again, and simultaneously reaching our stakeholders through both the VCP program, PROP, and compliance assistance events. The Chief of the Division of Compliance Assistance will be responsible for the completion of this recommendation.

**Recommendation No. 6: Implement specific collaborative processes for sharing persuader activity and other relevant information with the National Labor Relations Board, including**

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<sup>2</sup> OIG suggests that the tip line does not appear in internet searches “without using specific search terms or questions.” With respect, that is not OLMS’ view – our use of the general or specific kinds of search terms one would use regularly produced the tip line as the first or second listed site.

**specifying information needs, procedures and timelines for sharing information, resource sharing, and interagency training needs.**

OLMS agrees with this final recommendation of the OIG as well. With the initiative to improve timeliness and accuracy of employer and consultant reporting, and to more fully implement a preexisting Memorandum of Understanding (MOU) between the agencies, OLMS entered into a Memorandum of Agreement (MOA) with the NLRB to promote information sharing between the agencies. While the MOU and MOA have improved information exchange, OLMS has determined that interagency training is needed to ensure greater collaboration, and the MOU includes such training as an option. OLMS plans to address the training needs of the respective organizations, which we anticipate will lead to increased and improved information sharing. By first obtaining an accurate and complete understanding of the breadth and scope of each agency's missions, programs, activities, and limitations, OLMS and the NLRB should be better positioned to increase and improve information sharing. A mutual understanding of the intricacies of the agencies' missions, programs and statutory limitations should facilitate the collaborative process and result in a more effective exchange of information. The Director of the Office of Program Operations will be responsible for development of a joint training initiative. OLMS anticipates completing this recommendation by September 30, 2024.

Enclosure

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92000 3975  
OFFICIAL CORRESPONDENCE  
PLEASE RETURN TO BOX 3-2523

February 19, 1992

To: Lynn Martin  
Clayton Yeutter  
From: Newt Gingrich *NWG*

A letter is being circulated in the House (attached) calling for two specific actions on the Beck decision. These two steps are long overdue. It will weaken our opponents and encourage our allies if we take these two steps:

1. Order the Department to require the posting of workplace notices that specifically inform workers of their Beck rights.
2. Order the Office of Labor-Management Standards to institute changes in the LM-2 union reporting and disclosure form to provide union members with essential information on dues expenditures.

Can we set a schedule to implement these two items by the end of March?

cc: Sam Skinner  
Henson Moore  
Bob Teeter  
Mary Matalin  
Fred Malek  
Robert Mosbacher

RECEIVED  
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## **APPENDIX C: ACKNOWLEDGMENTS**

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